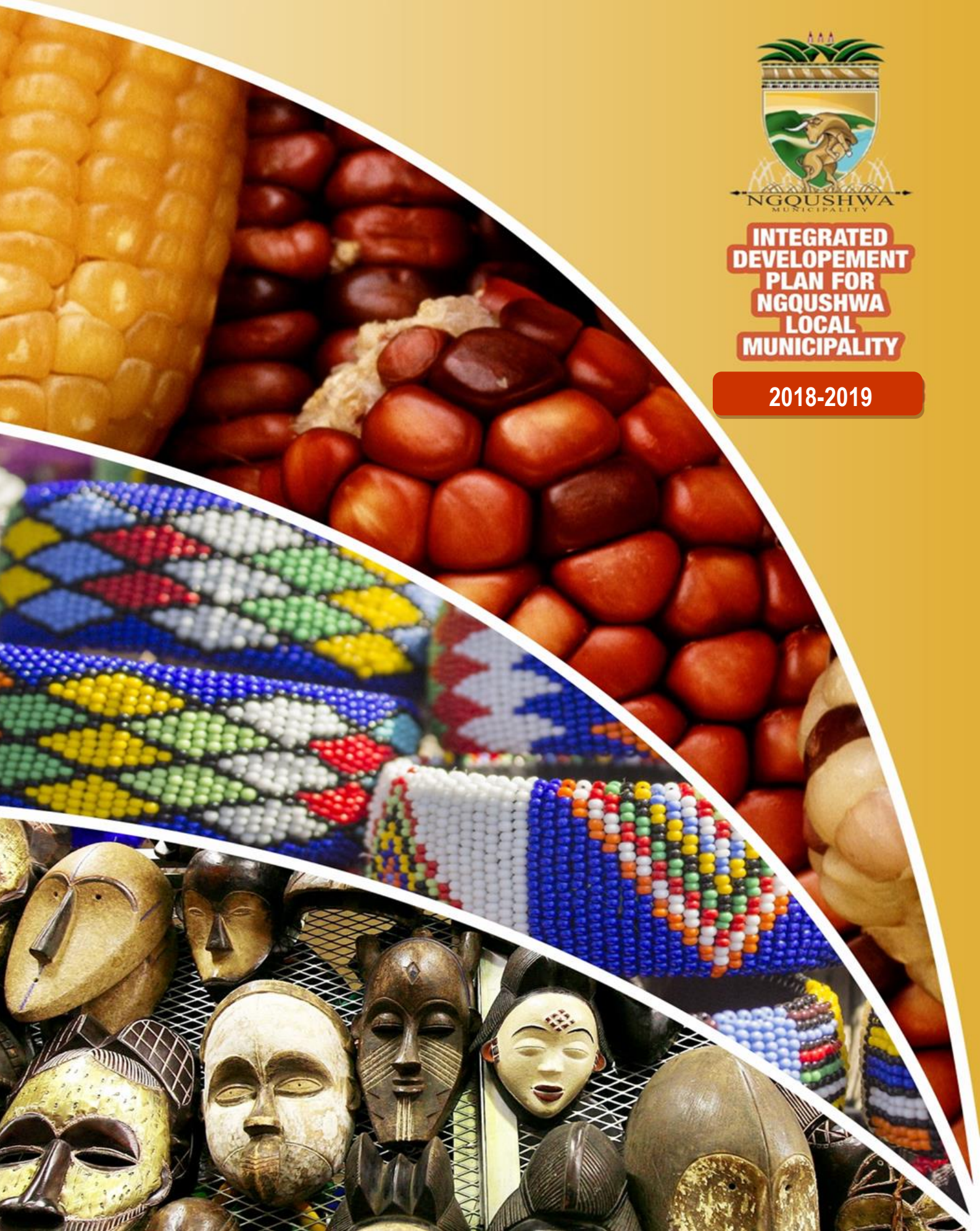




**INTEGRATED  
DEVELOPMENT  
PLAN FOR  
NGQUSHWA  
LOCAL  
MUNICIPALITY**

**2018-2019**





## The remarkable story of a Xhosa giant

Tiyo Soga's 19th-century hymn, "Lizalis' Idinga Lakho" (Fulfil Your Promise) has been having a revival through the melodic singing of the singer-songwriter Zahara. In most African churches its popularity has never waned.



Those who know anything about the history of our liberation will know that this song used to be sung as some form of a national anthem at all African gatherings. In fact, it was sung at Bloemfontein at the first meeting of the South African Native National Congress in 1912, which later became the African National Congress. The song obviously inspired Sontonga's first verses of "Nkosi Sikelel' iAfrika" ("God Bless Africa"), which became our national anthem, indeed a continental anthem. The influence of Soga, who lived from 1829-71, is also clear in the verses added on later by SKE Mqhayi on that song.

Soga wrote the hymn in July 1857, when he returned to Africa from his studies in Scotland. This was the tragic time when the Xhosa nation was losing its self-sufficiency after following the false prophecies of Mhlakaza's niece Nongqawuse and her friend Nokosi. Soga arrived at what was then known as Algoa Bay (now Port Elizabeth) to be greeted by the trail of death caused by famine that followed the killing of the Xhosa cattle. Moved with compassion, he wrote the hymn "Lizalis' Idinga Lakho". The song as the whole is poignant, but the last verse is profoundly moving and captures Soga's attitude to the historical events of that era. It is still very relevant for our times also: "O Lord, bless the teaching of our land; Please revive us, that we may restore goodness."

Soga was greatly influenced by the great Xhosa prophet Ntsikana, who came before him. Ntsikana prophesied the arrival of white settlers in the southern tip of Africa. He urged the Xhosa people, mostly amaNgqika, to choose from what the white people were bringing only the book with a red mouth (the Bible), and not the button without a hole (money). There was something Abrahamic about Ntsikana, his personal theology being formed by the religious apparitions to which he was prone. This in turn laid for him a foundation to easily accept the Christian message. He was among the first major Xhosa converts to Christianity, and his conversion influenced a lot of people among amaNgqika.



He wrote great hymns about Qamata, whose son he called Tayi, “Usifub’ Eside” (Broad Chest). Hence the Christian notion of one God with a son fitted well with him. His most popular song to this day is still sung by most Xhosa choirs, “Ulo Tixo omkulu, and ngoseZulwini” (Thou Art the Great God in Heaven). Ngqika, who gave the amaNgqika clan its name, was very sympathetic to the Christian message, but he ended up being greatly despondent about the loss of amaXhosa’s independence and eventually took to alcoholism. This is the reason why his land proliferated with Christian missionary stations, most of which turned into great schools like Lovedale, where Soga had his early education. What later became Fort Hare is also in Ngqikaland.

Soga’s father Jotello was Ngqika’s advisor. When his wife Nosuthu, a fervent convert to Christianity, asked him to release her from marital duties to live with his son among the missionaries, he agreed. Soga ended up going to Scotland for his studies and became the first ordained black cleric, not that this saved him from the rampant racism of the times. He married a Scottish woman, Janet Burnside, with whom he had seven children. Ngqika’s militant first-born son, Maqoma, was de facto leader of amaNgqika during the Xhosa Wars (or Frontier Wars) against British encroachment on Xhosa land. He was greatly feared by white people, referred to as “Isitshingitshane” (the Tornado), he raided and burned down most missionary stations because he saw in them nothing but colonialism by the back door. Maqoma asked Soga to fulfil his duties to the clan by taking over the advisory job of his father. Soga refused, preferring to stay out of the military work, preferring instead to forge his war with pen and prayer. He also declined a position of translator offered him by the colonial government. Soga felt extremely isolated in his difficult short life. He felt personally challenged by the idea of black and white nations at war. He taught his children to walk the divide with dignity; to pull to the centre, and never be ashamed of being the product of the best of both worlds—white and black.

In all his endeavours he had the unfailing support of a very strong and frugal woman in Janet, giving proof, as the Proverbs say, that a poor man with integrity is better than all wealth the world can give: “A foolish son is a destruction to his father, and the contentions of a wife are a constant dripping. House and wealth are an inheritance from the father, but a prudent wife is from the LORD.”

## FOREWORD BY THE MAYOR

The municipalities should interact with communities on a daily basis as mandated by the Constitution of Republic of South Africa, Act 108 of 1996 in order to create a better life for all. The Eastern Cape Premier, Phumulo Masualle has introduced Operation Masiphathisane campaign in the form of War Rooms to solve the inconveniences of service delivery that the community is facing. It seeks to craft strategies to combine services and bring them to communities while strengthening proper communication between government and local communities to prevent more service delivery protests.



Mayor - Cdr M. Swisa

We remain committed to the realisation of the 5 National Key Performance Areas of the Municipalities, being the following:

- Good Governance and Public Participation
- Municipal Transformation and Organisational Development
- Basic Infrastructure and Service Delivery
- Local Economic Development
- Municipal Financial Viability and Management

In accordance with the provision of the laws that govern the municipality , we are in the process of consulting our communities with respect to the development of ward profiles, review ward based plans, and develop a Five Year Strategic Agenda (IDP).

The Municipality is in the process of reviewing an effective organisational structure for the municipality that will determine the roles, powers and responsibilities that will reflect flow information flow between the different levels of management.

I hope and believe that our 2018/2019 IDP will focus more on Infrastructure development projects such as street paving, high mast lights, youth advisory centres which will assist on improving the lives of our people and strengthen our relationship with them. The municipality improved its audit outcome in past two financial years (2015/16 – 2016/17) to a Qualified Audit Report to Unqualified Audit Report.





Ngqushwa Local Municipality is rural in nature, we are focusing on our Local Economic Development through project implementation on Agriculture and Tourism that will sustain and enhance human life in Ngqushwa.

The municipality is currently using a manual performance management system, and we are the process of developing a three financial recovery plan and a five-year financial plan, with the main purpose is improve our revenue base in order to achieve self-sustainability for our municipality .

---

Mr.M.Siwisa

Mayor

## EXECUTIVE SUMMARY BY MUNICIPAL MANAGER

As we enter the 4th Generation of the Integrated Development Plan, Ngqushwa Local Municipality presents its 2018/2019 Integrated Development Plan as a Strategic Plan that focuses on the development of Ngqushwa. Local Government: Chapter 5 of Municipal Systems Act (Act No 32 of 2000) defines Integrated Development Planning as one of the critical functions of a municipality in relation to its developmental agenda and mandate.



### Vision 2057

Ngqushwa Local Municipality introduced a new concept of Vision 2057 in 2016/2017 financial year that gives a clear view of where we are, where we want to go from here, with a forty year prognosis. It is a vision that will take Ngqushwa from the present into the future. The goal of our vision is to improve quality of life of our people in Ngqushwa to the level of our counterparts in the Republic of South Africa. Vision 2057 will enable the members of the community to fast-track the Long- term, Medium term and Short terms goals and objectives of Ngqushwa.

### Municipal Turn –Around Strategy

Ngqushwa Local Municipality's five year Turn-Around Strategic Plan will serve as a guide to address the economic and social challenges and to come up with strategies and plans to improve the state of the municipality to be financially viable and a "Benchmark" municipality. Our Municipal Turn -Around Strategy consist of Eight Pillars that will serve as a point of departure in transforming the municipality. Leadership Development focuses on equipping the Councillors and Senior Management on Leadership Development Programmes. Institutional Development focuses on improving organisational cohesion and effectiveness by creating an enabling environment that will focus on human capital development to produce capable leaders.





The core business of local government is to ensure service are offered to communities, and therefore Service Delivery will focus on offering quality basic services to ensure sustainable and affordable services to the communities of Ngqushwa. Local Economic Development on the other hand serves as a stepping stone on how to change the economic situation of Ngqushwa area of Jurisdiction by creating an enabling environment to promote local economic development. An institution cannot survive without financial stability, a Sound Financial Management municipality must operate to ensure there are projects and programmes that will raise revenue for self-sustainability, with capable human capital both internally and externally. Ngqushwa will be a better place by introducing Human Capital Development Initiatives that will make a difference in people's lives.

As a municipality, a culture of Good Governance and Public Participation is needed to ensure that we engage continuously with our internal and external stakeholders. Creating a culture of performance to contribute to the developmental needs of our communities efficiently and effectively, will afford the municipality to achieve clean administration. A conducive environment for sustainable socio-economic development within Ngqushwa by introducing Spatial Planning as a guide to respond to Social, Economic, Environmental and Cultural needs to promote sustainable livelihood in accordance with Spatial Planning and Land Use Management Act.

Ngqushwa Municipality commits itself by turning the above said Strategic Plans into actions in the 2018/2019 by implementing the following projects:

- Cascading of Performance Management System
- Building Inclusive Green Municipalities Program

We are confident about all the set milestones will be achieved as the institution has a capable workforce and visionary leadership that will ensure the institution performance is well- managed.

As we move into the new financial year 2018/2019, I would like to thank all the key stakeholders that have worked with the municipality in ensuring our Integrated Development Plan is aligned to the needs of our communities.



“Sikhula Simanyane”

---

M.P Mpahlwa  
Municipal Manager





# COUNCIL MEMBERS



**Cllr Nombuyiselo Ethelina Ma**

Speaker



Mayor - Cllr M. Shwisa



**Cllr Fumanekile Phumaphi**

Chiefwhip/Portfolio Head: Budget and Treasury



**PR Cllr Sanga Siyabulela Maneli**

Portfolio Head: Corporate Services



**PR Cllr Zuziwe Regina Nduneni**

Portfolio Head: Community Services



**Cllr Libele Kolisi**

Portfolio Head: Infrastructure Development/  
Ward Councillor (Ward 10)



**Cllr Nzuzo Mquqo**

MPAC Chairperson/Ward Councillor  
(Ward 6)



**PR Cllr Nondyebo Mildred Jako**

PR Councillor



**PR Cllr Nolusindiso Caroline Gxasheka**

PR Councillor



**Cllr Ndiphiwe Leve**

Ward Councillor (ward 1)



**Cllr Thethiswa Thelma Skweyiya**

Ward Councillor (Ward 4)



**Cllr Phumeza Sitole**

Ward Councillor (Ward 2)



**Cllr Ntomboxolo Primrose Mpoli**

Ward Councillor (Ward 3)



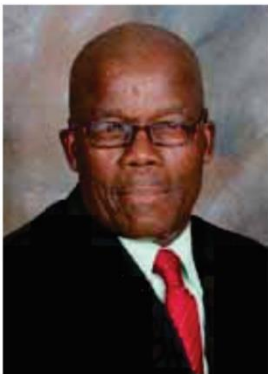
**Cllr Daniswa Ncanywa**

Ward Councillor (Ward 11)



**Cllr Nomzamo Mtati**

Ward Councillor (Ward 9)



**Cllr Lungephi Helman Moyeni**

Ward Councillor (Ward 8)



**Cllr Nozuko Brandon Fulani**

Ward Councillor (Ward 12)



**Cllr Mlungiseleli Luzipo**

Ward Councillor (Ward 7)



**Cllr Ntombethemba Lawu**

Ward Councillor (Ward 5)



**PR Cllr Robyn Coleen Taylor**

PR Councillor



**PR Cllr Nomaledi Victoria Gxasheka**

PR Councillor



**PR Cllr Siphosenkosi Stephan Gwavu**

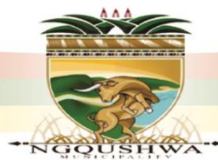
PR Councillor





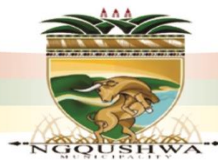
## TABLE OF CONTENTS

<b>IDP AND DOCUMENTATION.....</b>	<b>28</b>
<b>STRUCTURE .....</b>	<b>28</b>
<b>CHAPTER ONE .....</b>	<b>32</b>
<b>INTRODUCTION.....</b>	<b>32</b>
<b>1.1 INTRODUCTION.....</b>	<b>32</b>
1.1.1 Legal Framework for the revision of the IDP .....	32
<b>1.2. WHY A LONG-TERM VISION FOR NGQUSHWA LOCAL MUNICIPALITY ?...33</b>	
<b>1.3. STRATEGIC FRAMEWORK OF THE IDP .....</b>	<b>34</b>
1.3.1 Our overarching strategy .....	36
<b>1.4. THE ROLE AND PURPOSE OF THE IDP .....</b>	<b>36</b>
1.4.1 Analysis phase: .....	41
1.4.2 Strategy phase: .....	41
1.4.3 Project phase: .....	42
1.4.4 Integration: .....	42
1.4.5 Approval:.....	42
<b>1.5. REVISING THE 2017-2022 IDP FOR 2018-2019 IDP .....</b>	<b>42</b>
1.5.1 IDP Revision Framework.....	43
1.5.2 Comments provided by the MEC for Local Government.....	45
<b>1.6 THE HIGH-LEVEL PREPARATION PROCESS FOR THE NEW IDP .....</b>	<b>45</b>
<b>1.7 LEGAL CONTEXT .....</b>	<b>47</b>
1.7.1 Elements of IDP Development .....	48
1.7.2 IDP Process .....	49
1.7.3 Organisational Arrangement.....	49
1.7.4 Municipal Structures participation and involvement.....	53
1.7.5 Procedures for community and stakeholders participation.....	53
1.7.6 Mechanisms and Procedures for Alignment .....	55
1.7.7 The Budget Process.....	55
<b>1.8 SUSTAINABLE DEVELOPMENT GOALS (SDGS) .....</b>	<b>58</b>
<b>1.10 NATIONAL DEVELOPMENT PLAN 2030.....</b>	<b>67</b>
1.10.1 National Government Priority Areas.....	68
1.10.2 The South African Government Outcome Based Approach.....	70
1.10.3 New Growth Path .....	70
1.10.4 National Spatial Development Perspective .....	71
1.10.5 Accelerated and Shared Growth Initiative for South Africa .....	72

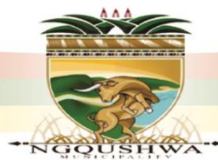


<b>1.11 THE PROVINCIAL DEVELOPMENT PLAN .....</b>	<b>72</b>
1.11.1 Provincial Growth and Development Plan .....	75
1.11.2 Eastern Cape Provincial Spatial Development Plan .....	76
1.11.3 Community Based Planning and Sustainable Livelihoods .....	77
1.11.4 Expanded Public Works Programme.....	77
1.11.5 Community Development Workers Programmes.....	77
<b>1.12 MUNICIPAL POWERS AND FUNCTIONS.....</b>	<b>78</b>
<b>1.13 ENVISIONING NGQUSHWA 2057 .....</b>	<b>80</b>
1.13.1 Incorporating the role of the Republic of South Africa's National Development Plan 2030.....	80
1.13.2 Growth and jobs, education and skills, and a capable developmental state.....	84
1.13.3 Direct and immediate measures to attack poverty .....	86
1.13.4 Demographic Trends.....	86
1.13.5 NDP 2030 observations included the following:.....	87
1.13.6 Policy in a dynamic global environment.....	89
<b>1.14 ISSUES OF VISION 2057 FOR NGQUSHWA.....</b>	<b>90</b>
<b>1.15 THE NGQUSHWA VISION 2057 .....</b>	<b>91</b>
1.15.1 Long-term Mission.....	91
1.15.2 Long-term Values.....	91
<b>1.16 WHAT WE HOPE TO ACHIEVE.....</b>	<b>92</b>
1.16.1 Prosperity.....	92
1.16.2 Industrialised Region.....	92
1.16.3 Harmony .....	93
1.16.4 Peace and political stability .....	94
<b>1.17 OBJECTIVES OF VISION 2057.....</b>	<b>95</b>
<b>1.18 BROAD STRATEGIES FOR VISION 2057.....</b>	<b>96</b>
<b>1.19 MILESTONES.....</b>	<b>97</b>
<b>1.20 DEVELOPMENTAL LOCAL GOVERNMENT AND THE LOCAL GOVERNMENT TURNAROUND STRATEGY.....</b>	<b>98</b>
<b>1.20.1 INTRODUCTION.....</b>	<b>98</b>
<b>1.21 AIMS AND OBJECTIVES OF THE TURNAROUND STRATEGIC EFFORT FOR NGQUSHWA LOCAL MUNICIPALITY TOWARDS 2022 .....</b>	<b>106</b>
1.21.1 Constitution of the Republic of South Africa, 1996: Developmental Mandate .....	111
1.21.2 White Paper on Local Government, 1998: Developmental Local Government .....	111
1.21.3 White Paper on Transforming Public Service Delivery (Batho Pele) .....	112

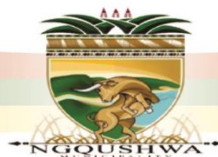




1.21.4 Local Government: Municipal Systems Act 32 of 2000.....	112
1.21.5 Local Government: Municipal Structures Act 117 of 1998 .....	112
1.21.6 Local Government: Municipal Finance Management Act No 56 of 2003 56 of 2003 ....	112
1.21.7 Environmental Scanning efforts.....	113
<b>1.22 LEGAL FRAMEWORK FOR LOCAL GOVERNMENT.....</b>	<b>117</b>
1.22.1 Constitution of the Republic of South Africa, 1996: Developmental Mandate .....	117
1.22.2 Development of Local Government .....	119
1.22.3 White Paper on Transforming Public Service Delivery, 1997.....	122
(Batho Pele Principles).....	122
1.22.4 Local Government: Municipal Systems Act 32 of 2000.....	123
1.22.5 Local Government: Municipal Structures Act 117 of 1998 .....	124
1.22.6 Local Government: Municipal Finance Management Act No 56 of 2003 56 of 2003 ....	125
<b>1.23 LEGISLATIVE PRESCRIPTIONS PERTAINING TO PUBLIC CONSULTATION AND PARTICIPATION .....</b>	<b>126</b>
1.23.1 Public Participation Provisions Contained in the White Paper on Local Government, 1998.....	127
1.23.2 Public Participation in terms of the municipal demarcation act, 27 of 1998.....	129
1.23.3 Public Participation provisions in terms of the municipal structures act, 117 of 1998...	130
<b>1.24 SERVICE DELIVERY CHALLENGES AS REGARDED IN LOCAL GOVERNMENT .....</b>	<b>131</b>
<b>1.25 LOCAL GOVERNMENT TURNAROUND STRATEGY (LGTAS).....</b>	<b>132</b>
1.25.1 Strengths of the LGTAS .....	135
1.25.2 Weaknesses of the LGTAS .....	136
<b>1.26 NGQUSHWA LOCAL MUNICIPALITY -SPECIFIC LGTAS GUIDELINES .....</b>	<b>137</b>
<b>1.27 PROPOSED NGQUSHWA LOCAL MUNICIPALITY TURNAROUND STRATEGY .....</b>	<b>138</b>
<b>Chapter 2.....</b>	<b>144</b>
<b>NGQUSHWA LOCAL MUNICIPALITY GEOGRAPHIC PROFILE AND SITUATIONAL DATA .....</b>	<b>144</b>
<b>2.1. MUNICIPAL GEOGRAPHICAL INFORMATION .....</b>	<b>144</b>
<b>2.2. WARD VILLAGES OF NGQUSHWA LOCAL MUNICIPALITY .....</b>	<b>144</b>
2.2.1. Visitors Guide for Ngqushwa Local Municipality .....	145
2.2.2 Demographic Profile.....	146
2.2.3. Households .....	148
2.2.4. Service Delivery Overview .....	153



<b>2.3. NGQUSHWA LOCAL MUNICIPAL GRAND STRATEGY .....</b>	<b>156</b>
2.3.1. Vision .....	156
2.3.2. Mission Statement.....	156
<b>2.4. LOCALITY .....</b>	<b>157</b>
2.4.1. Regional Context.....	157
2.4.2 Municipal Context.....	158
2.4.3. Ngqushwa Local Municipality Alignment with Provincial Spatial Development Plan (PSDP) .....	159
<b>2.5. SITUATION ANALYSIS IN TERMS OF KEY ISSUES .....</b>	<b>161</b>
2.5.1. Social Analysis of Ngqushwa Local Municipality as of December 2016.....	161
2.5.2. Rural Developmental Analysis of Ngqushwa Local Municipality .....	169
2.5.3. Infrastructure Analysis of Ngqushwa Local Municipality .....	175
2.5.4. Environmental Analysis of Ngqushwa Local Municipality .....	178
2.5.5. Local Economic Developmental Analysis of Ngqushwa Local Municipality .....	182
2.5.6. Human Resources Analysis of Ngqushwa Local Municipality .....	185
<b>2.6. SWOT ANALYSIS (STRENGTHS, WEAKNESS, OPPORTUNITIES, THREATS).....</b>	<b>186</b>
<b>Chapter 3.....</b>	<b>199</b>
<b>KPA 1: INSTITUTIONAL DEVELOPMENT AND DESIGN.....</b>	<b>199</b>
<b>3.1. INTRODUCTION.....</b>	<b>199</b>
<b>3.2 Municipal Organisational Structure.....</b>	<b>201</b>
<b>3.3 NGQUSHWA LOCAL MUNICIPALITY HUMAN RESOURCES STRATEGY....</b>	<b>231</b>
<b>N.4 FUNCTIONS OF THE MUNICIPALITY .....</b>	<b>231</b>
<b>3.4.1 Office of the Municipal Manager .....</b>	<b>231</b>
<b>3.4.2 Infrastructure and Technical Services Department .....</b>	<b>233</b>
<b>3.4.3 Community Services Department .....</b>	<b>234</b>
<b>3.4.4 The Budget &amp; Treasury Department .....</b>	<b>235</b>
<b>3.4.5 The Corporate Services Department .....</b>	<b>236</b>
<b>3.4.7 Personnel related information.....</b>	<b>237</b>
<b>3.4.8 Municipal staff registered with professional bodies.....</b>	<b>238</b>
<b>3.7 EMPLOYMENT EQUITY.....</b>	<b>238</b>
<b>3.8 HUMAN RESOURCE DEVELOPMENT .....</b>	<b>239</b>
<b>3.8.1 SETA Learnerships .....</b>	<b>241</b>
<b>3.9 HUMAN CAPITAL DEVELOPMENT .....</b>	<b>242</b>
<b>3.10 1 Employee Assistance Programme.....</b>	<b>243</b>

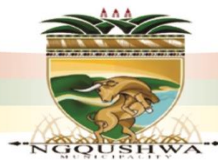


<b>3.10 2 Occupational Health &amp; Safety .....</b>	<b>243</b>
<b>3.11 ORGANISATIONAL DEVELOPMENT AND DESIGN .....</b>	<b>244</b>
3.11.1 Individual Performance Management System.....	244
3.11.2 Local Labour Forum.....	245
<b>3.12 RECORDS MANAGEMENT .....</b>	<b>245</b>
<b>13. INFORMATION AND COMMUNICATION TECHNOLOGY .....</b>	<b>246</b>
13.2 Governance Framework .....	246
13.3 ICT Strategy .....	247
<b>14. CORPORATE SERVICE DEPARTMENT INTEND TO DO THE FOLLOWING PROJECTS IN THE NEXT 4 YEARS .....</b>	<b>248</b>
<b>15. CHALLENGES FACED BY THE CORPORATE SERVICES DEPARTMENT .....</b>	<b>249</b>
<b>16. RESPONSE TO THE CHALLENGES.....</b>	<b>249</b>
<b>17. CORPORATE SERVICES HAS THE FOLLOWING HR COMMITTEES IN PLACE.....</b>	<b>249</b>
<b>13.8 MUNICIPAL POLICIES.....</b>	<b>249</b>
<b>Chapter 4.....</b>	<b>254</b>
<b>KPA2: QUALITY BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT ...</b>	<b>254</b>
<b>4.1 INTRODUCTION.....</b>	<b>254</b>
4.1.1 Institutional Arrangement .....	254
4.1.2 Legislative framework applicable.....	255
<b>4.2 MUNICIPAL INFRASTRUCTURE AND SERVICES.....</b>	<b>256</b>
4.2.1 Roads and Storm Water .....	256
<b>4.3 INTEGRATED INFRASTRUCTURE INVESTMENT PLAN .....</b>	<b>257</b>
The local municipality has a Comprehensive Infrastructure Plan (CIP) 2014 that was adopted by the Council. The district municipality, local municipality and government departments fully participated in the development of the comprehensive infrastructure plan for the local municipality. For the investment plan, Ngqushwa utilises MIG grant over the MTEF period. Currently, the local municipality is dependent on grants as source of income for infrastructural programmes. The CIP currently covers the capital budget only. ....	
<b>4.4 PROVINCIAL ROADS WITHIN NGQUSHWA LOCAL MUNICIPALITY AREA ...</b>	<b>258</b>
<b>4.5 PROJECT MANAGEMENT UNIT .....</b>	<b>258</b>
<b>4.6. ELECTRICAL ENGINEERING SERVICES .....</b>	<b>259</b>
<b>4.7 WATER AND SANITATION .....</b>	<b>260</b>
4.7.1 Water Services.....	260

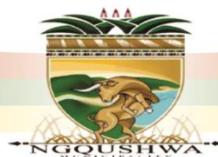


4.7.2 Bulk water .....	260
4.7.3 Sanitation Services .....	260
<b>4.8 TRANSPORT .....</b>	<b>261</b>
<b>4.9 SOLID WASTE MANAGEMENT .....</b>	<b>263</b>
<b>4.10 CEMETERIES .....</b>	<b>264</b>
<b>4.11 ENVIRONMENTAL MANAGEMENT .....</b>	<b>264</b>
<b>4.12 COMMUNITY FACILITIES (BUILDINGS).....</b>	<b>267</b>
<b>4.13 SPORTS AND RECREATION FACILITIES, PARKS, PLAYING EQUIPMENT AND GREENING .....</b>	<b>267</b>
<b>4.14 TRAFFIC MANAGEMENT .....</b>	<b>268</b>
<b>4.15 QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT INTEND TO DO THE FOLLOWING PROJECT FOR THE NEXT 4 YEARS .....</b>	<b>270</b>
<b>4.16 CHALLENGES FACED BY QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT.....</b>	<b>271</b>
<b>4.17 RESPONSE TO THE CHALLENGES.....</b>	<b>271</b>
<b>Chapter 5.....</b>	<b>275</b>
<b>KPA3: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT .....</b>	<b>275</b>
<b>5.1 INTRODUCTION.....</b>	<b>275</b>
5.1.1. Pro-Poor.....	279
5.1.2. Major Components of Local Economic Development Strategy .....	280
5.1.3. Key factors to consider:.....	280
<b>5.2 RURAL DEVELOPMENT AND AGRICULTURE.....</b>	<b>283</b>
5.2.1 Rural Development and Agriculture.....	283
<b>5.3 NGQUSHWA AGRICULTURE FARMING OPPORTUNITIES.....</b>	<b>284</b>
5.3.1 Livestock farming .....	284
5.3.2 Ostrich Farming.....	284
5.3.3 Crop farming .....	285
5.3.4 Exotic fruit .....	285
5.3.5 Household food security and poverty alleviation.....	285
5.3.6 Agro –processing .....	285
<b>5.4 TOURISM AND HERITAGE .....</b>	<b>286</b>
5.4.1 Tourism and Heritage.....	286
<b>5.5 SMALL MICRO ENTERPRISES AND COOPERATIVES.....</b>	<b>288</b>
5.5.1 SME's and Cooperative Development.....	288
5.5.2. Ngqushwa Local Municipality LED four main components: .....	290

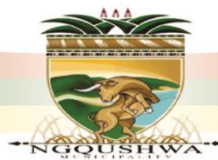




<b>5.7. STAKEHOLDERS THAT WE WORK WITH IN NGQUSHWA LOCAL MUNICIPALITY LED DEVELOPMENT PROCESS.....</b>	<b>295</b>
<b>5.8. FUNDING SUPPORT IN SOUTH AFRICA .....</b>	<b>296</b>
<b>5.9 LED DEPARTMENT INTENDS TO DO THE FOLLOWING PROJECT IN THE NEXT 4 YEARS .....</b>	<b>298</b>
<b>5.10 CHALLENGES FACING THE LED DEPARTMENT .....</b>	<b>298</b>
<b>5.11 RESPONSE TO THE CHALLENGES.....</b>	<b>298</b>
<b>SPATIAL development.....</b>	<b>300</b>
<b>5.11 INTRODUCTION.....</b>	<b>300</b>
<b>5.12 SPATIAL PROPOSALS .....</b>	<b>302</b>
5.12.1 Spatial Analysis (Settlements).....	302
<b>5.13 INFRASTRUCTURE .....</b>	<b>305</b>
<b>5.14 ENVIRONMENT .....</b>	<b>305</b>
<b>5.15 LAND USE .....</b>	<b>306</b>
<b>5.16 COASTAL .....</b>	<b>307</b>
<b>5.17 CLIMATE CHANGE.....</b>	<b>307</b>
<b>5.18 LAND USE SCHEMES .....</b>	<b>308</b>
<b>5.19 BIO-DIVERSITY.....</b>	<b>308</b>
<b>5.20 REHABILITATION OF DEGRADED AREAS .....</b>	<b>310</b>
<b>5.21 RURAL DEVELOPMENT .....</b>	<b>310</b>
<b>5.22 DISASTER MANAGEMENT AND CONTINGENCY PLAN .....</b>	<b>311</b>
<b>5.23 ECONOMY: TOURISM AND HERITAGE.....</b>	<b>311</b>
5.24 Agriculture.....	312
<b>5.25 SMES AND COOPERATIVES.....</b>	<b>312</b>
<b>5.26 MINING .....</b>	<b>313</b>
Strategic Objective .....	313
<b>5.27 GOVERNANCE.....</b>	<b>313</b>
5.28 Human Resources .....	314
<b>5.29 LAND AND HOUSING.....</b>	<b>314</b>
5.29.1 Settlement patterns .....	315
5.29.2 Urban areas .....	315
5.29.3 Rural areas .....	315
5.29.4 Conservation areas .....	316
5.29.5 Land tenure availability and distribution.....	316



5.29.6 Housing.....	318
<b>5.32 THE SPATIAL PLANNING DEPARTMENT INTENDS TO THE FOLLOWING PROGRAMMES FOR THE NEXT 5 YEARS.....</b>	<b>322</b>
<b>5.33 CHALLENGES FACING SPATIAL PLANNING .....</b>	<b>322</b>
<b>5.34 RESPONSE TO THE CHALLENGES.....</b>	<b>322</b>
.....	328
<b>Chapter 6.....</b>	<b>329</b>
<b>KPA 4: FINANCIAL VIABILITY AND MANAGEMENT .....</b>	<b>329</b>
<b>6.1 INTRODUCTION.....</b>	<b>329</b>
<b>6.2 LEGISLATIVE FRAMEWORK APPLICABLE .....</b>	<b>330</b>
<b>6.3. FINANCIAL FRAMEWORK.....</b>	<b>331</b>
6.3 1 Financial Planning (municipal budgeting and reporting) .....	331
<b>6.4 THREE YEAR FINANCIAL PLANNING (MTREF).....</b>	<b>332</b>
6.4 1 IDP/Budget/ SDBIP Alignment .....	332
<b>6.5 FIVE YEAR FINANCIAL PLANNING .....</b>	<b>335</b>
<b>6.6 BUDGET RELATED POLICIES.....</b>	<b>337</b>
<b>6.6 1 REVENUE POLICIES .....</b>	<b>337</b>
<b>6.6.2 DEBT MANAGEMENT AND CREDIT CONTROL POLICIES AND PROCEDURES.....</b>	<b>338</b>
<b>6.6.3 SUPPLY CHAIN MANAGEMENT.....</b>	<b>338</b>
<b>6.6.4 INVESTMENT POLICIES .....</b>	<b>338</b>
<b>6.6.5 ASSET MANAGEMENT .....</b>	<b>339</b>
<b>6.6.6 ACCOUNTING POLICIES .....</b>	<b>339</b>
<b>6.7 REVENUE MANAGEMENT.....</b>	<b>339</b>
6.7.1 Customer Billing .....	341
6.7.2 Debt Collection.....	342
<b>6.8 EXPENDITURE MANAGEMENT.....</b>	<b>343</b>
<b>6.9 SUPPLY CHAIN MANAGEMENT.....</b>	<b>344</b>
<b>6.10 BUDGETING AND REPORTING.....</b>	<b>344</b>
<b>6.11. FINANCIAL CONDITION ANALYSES FOR NGQUSHWA LOCAL MUNICIPALITY TOWARDS 2022.....</b>	<b>346</b>
6.11.1 Assessing Ngqushwa Local Municipality Financial Condition (going concern).....	348
<b>6.12 THE BUDGET AND TREASURY OFFICE INTENDS TO THE FOLLOWING PROJECTS FOR THE NEXT 4 YEARS:.....</b>	<b>349</b>



<b>6.13 CHALLENGES FACING BUDGET AND TREASURY OFFICE .....</b>	<b>349</b>
<b>6.14 RESPON TO THE CHALLENGES .....</b>	<b>349</b>
.....	441
<b>Chapter 7.....</b>	<b>442</b>
<b>KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION .....</b>	<b>442</b>
<b>7.1 INTRODUCTION.....</b>	<b>442</b>
<b>7.2 LEGISLATIVE FRAMEWORK APPLICABLE .....</b>	<b>442</b>
<b>7.3 PUBLIC PARTICIPATION .....</b>	<b>443</b>
7.3.1 Council.....	443
7.3.2 Political Governance Structure .....	443
7.3.3 Standing Committees.....	444
<b>7.4 MECHANISMS AND PROCEDURES FOR COMMUNITY AND STAKEHOLDER PARTICIPATION .....</b>	<b>444</b>
7.4.1 Communications and Public Participation Strategy .....	444
7.4.2 Traditional Leaders serving in Council.....	446
7.4.3 Petitions and Complaints Management System .....	447
7.4.4 Municipal Public Accounts Committee.....	447
7.4.5 Multi-party Women's Caucus .....	448
7.4.6 Community Development Workers Programme.....	449
7.4.7 Ward Based Plans .....	450
7.4.8 Tools/Methods used for enhancement of public participation .....	451
<b>7.5 INTERNAL AUDIT AND RISK MANAGEMENT .....</b>	<b>451</b>
7.5.1 Audit Committee.....	452
7.5.2 Risk Management .....	452
7.5.4 Internal Audit.....	453
<b>7.5 COMMUNICATIONS.....</b>	<b>454</b>
7.5.1 Communication and Public Participation Strategy .....	454
7.6.2 Intergovernmental and International Relations .....	454
<b>7.7 SPECIAL PROGRAMMES UNIT .....</b>	<b>456</b>
7.7.1 Development of a Training Academy.....	457
7.7.2 Development of high-performance Sports Academy .....	457
7.7.3 Development of Early Childhood Development Centres (ECD Centres) .....	457
7.7.4 Development of Ward Advisory Centres for School Leavers .....	457
<b>7.8 INTERGRATED DEVELOPMENT PLANNING AND PERFORMANCE MANAGEMENT.....</b>	<b>457</b>



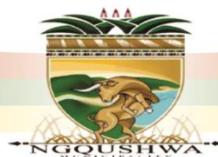
7.8.1 Integrated Development Planning .....	458
7.8.2 Institutional Performance Management System .....	458
<b>7.11 THE OFFICE OF THE MUNICIPAL MANAGER INTENDS TO DO THE FOLLOWING PROJECTS FOR THE NEXT 4 YEARS .....</b>	<b>463</b>
<b>7.12 CHALLENGES FACED BY THE OFFICE OF THE MUNICIPAL MANAGER DEPARTMENT .....</b>	<b>464</b>
<b>7.13 RESPONSE TO THE CHALLENGES.....</b>	<b>464</b>
<b>7.14 THE OVERVIEW AND PURPOSE OF THE IDP ANALYSIS AND ASSESSMENT .....</b>	<b>464</b>
7.14.1 Key Focal Areas.....	465
<b>7.15 MEC COMMENTS FROM THE PAST 3 YEARS .....</b>	<b>466</b>
7.15.2 2016/17 MEC comments Summary.....	466
7.15.3 2013/14 - 2014/15 and 2015/16 MEC comments Summary .....	466
<b>Chapter 8.....</b>	<b>471</b>
<b>PROJECTS AND PROGRAMMES.....</b>	<b>471</b>
<b>8.1 INTRODUCTION.....</b>	<b>471</b>
<b>8.2 VISION 2057 CATALYS PROJECTS .....</b>	<b>472</b>
<b>8.3. KPA 1: INSTITUTIONAL DEVELOPMENT AND DESIGN.....</b>	<b>478</b>
8.4 KPA 2: QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT - 5 YEAR PROJECT PLAN: MUNICIPAL INFRASTRUCTURE GRANT (MIG) .....	479
<b>8.5 KPA3: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT PROJECTS .....</b>	<b>482</b>
<b>8.6 KPA4: FINANCIAL VIABILITY AND MANAGEMENT PROJECTS .....</b>	<b>484</b>
<b>8.7 KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION PROJECTS.....</b>	<b>485</b>
<b>8.8 SECTOR DEPARTMENTS PROJECTS.....</b>	<b>487</b>



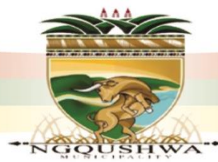


## ACRONYMS AND ABBREVIATIONS

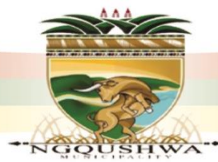
Act no. 56 of 2003	(now Department of Water Affairs)
ADB	African Development Bank
ADM	Amathole District Municipality
AG	Auditor General
AGOA	African Growth Opportunity Act
AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
ARI	Acute Respiratory Infection
ASGISA	Accelerated Shared Growth Initiative of South Africa
ASP	Application Service Provider
ATM	Asynchronous Transfer Mode
AU	African Union
BSD	Basic Service Delivery
BTP	Build Together Programme
BUM	Business Unit Manager
CBD	Central Business District
CBI	Cross Border Initiatives
CBNRM	Community-Based Natural Resource Management
CBO	Community Based Organisation
CBS	Central Bureau of Statistics
CBT	Community-Based Tourism
CET	Common Excise Tariff
CFO	Chief Financial Officer
CITP	Comprehensive Integrated Transport Plan
CMA	Common Monetary Area
COGTA	Department of Cooperative Governance & Traditional Affairs
COMESA	Common Market for Eastern and Southern Africa
COSDEC	Community Skills Development Centre
CSO	Civil Society Organisation
CWDM	Cape Winelands District Municipality
DAFF	Department of Agriculture Forestry & Fisheries
DBSA	Development Bank of Southern Africa



DEAT	Department of Environmental Affairs and Tourism
DFA	Development Facilitation Act
DFID	Department for International Development
DGDS	District Growth and Development Strategy
DIP	Decentralisation Implementation Plan
DMA	District Management Area
DoARD	Department of Agriculture and Rural Development
DoE	Department of Education
DoE	Department of Energy
DoH	Department of Health
DoHS	Department of Human Settlement
DoL	Department of Labour
DoLG	Department of Local Government
DoLRD	Department of Land Reform & Rural Development
DoMR	Department of Minerals Resources
DOS	Department of Social Development and Special Programs
DOTS	Directly Observed Treatment Short course
DPLG	Department of Provincial & Local Government
DPSA	Department of Public Service and Administration
DRAMs	Dynamic Random Access Memories
DSRAC	Department of Sport Recreation Arts and Culture
DTI	Department of Trade and Industry
DWA	Department of Water Affairs
DWAF	Department of Water Affairs and Forestry
EA	Environmental Assessment
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ECOMOG	ECOWAS Military Observer Group
ECOWAS	Economic Community of West African States
EDA	Economic Development Agency
EDF	European Development Fund
EHO	Environmental Health Offices
EIA	Environmental Impact Assessment
EIF	Environmental Investment Fund



EISA	Electoral Institute of Southern Africa
EMP	Environmental Management Plan
EPI	Expanded Programme on Immunisation
EPLs	Exclusive Prospecting License
EPWP	Expanded Public Works Programme
EPZ	Export Processing Zone
ES	Equitable Share
EU	European Union
EXCO	Executive Committee
EF	Expenditure Framework
FBS	Free Basic Services
FDI	Foreign Direct Investment
FET	Further Education and Training
FIFA	Federation Internationale de Football Association
FPRM	Foreign Policy Response Model
FTA	Free Trade Area
FV & M	Financial Viability and Management
GDP	Gross Domestic Product
GDP-R	Gross Domestic Product in Rand
GEAR	Growth, Employment and Redistribution
GFCF	Gross Fixed Capital Formation
GG & PP	Good Governance and Public Participation
GGP	Gross Geographic Product
GIPF	Government Institutions Pension Fund
GIS	Geographic Information System
GNP	Gross National Product
GRAP	Generally-recognised Accounting Practices
GSM	Global System for Mobile Communications
GSP	Generalised System of Preferences
GVA-R	Gross Value-Added in Rand
HDI	Human Development Index
HH	Households
HIS	Health Information System

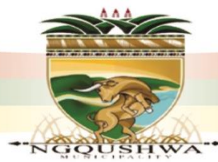


HIV	Human Immune Virus
HPI	Human Poverty Index
HR	Human Resources
IATCP	Inter Agency Technical Committee on Population
ICJ	International Court of Justice
ICT	Information and Communication Technology
ICZMP	Integrated Coastal Zone Management Plan
ID & OT	Institutional Development and Organisational Transformation
IDP	Integrated Development Plan
IDPRF	Integrated Development Plan Representative Forum
IEC	Information, Education and Communication
IFAD	International Fund for Agricultural Development
IGAD	Intergovernmental Authority on Development
IGR	Inter-Governmental Relations
IHSP	Integrated Human Settlement Plan
ILO	International Labour Organisation
IMATU	Independent Municipal Allied Trade Union
IMESA	Institute for Municipal Engineers South Africa
IMF	International Monetary Fund
IMR	Infant Mortality Rate
HIS	Integrated Human Settlements
ISO	International Standards Organisation
ISRDP	Integrated Sustainable Rural Development Programme
ICT	Information and Communication Technology
ITP	Integrated transport Plan
IWMP	Integrated Waste Management Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LAN	Local Area Network
LED	Local Economic Development
LGSETA	Local Government SETA
LGTAS	Local Government Turnaround Strategy
LHA	Lanquedoc Housing Association

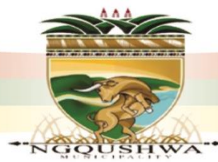




LM	Local Municipality
LUMS	Land Use Management System
MAG	Monitor Action Group
MAP	Millennium African Recovery Plan
MARPOL	International Convention on the Prevention of Pollution from Ships
MDGs	Millennium Development Goals
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act No 56 of 2003
MIG	Municipal Improvement Grant
MIGA	Multilateral Investment Guarantee Agency
MIIF	Municipal Infrastructure Investment Framework
MM	Municipal Manager
MMR	Maternal Mortality Rate
MOD	Ministry of Defense
MOF	Ministry of Fisheries
MOHA	Ministry of Home Affairs
MOHSS	Ministry of Health and Social Services
MOJ	Ministry of Justice
MOL	Ministry of Labour
MOU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MTAS	Municipal Turnaround Strategy
MTI	Ministry of Trade and Industry
MTREF	Medium-Term Revenue and
MTSF	Medium-Term Strategic Framework
NACHE	National Advisory Council for Higher Education
NAI	New African Initiative
NATO	North Atlantic Treaty Organisation
NCC	National Communications Commission
NDF	National Defense Force
NDP	National Development Plan



NEACB	National Examination, Assessment and Certification Board
NEPAD	New Partnership for African Development
NEPLs	Non-exclusive Prospecting Licenses
NGO	Non-Governmental Organisation
NIED	National Institute for Educational Development
NLM	Ngqushwa Local Municipality
NLTPS	National Long-term Perspective Studies
NMT	Non-motorised Transport
NPCS	National Planning Commission Secretariat
NPO	Non-Profit Organisation
NSDP	National Spatial Development Perspective
NTA	National Training Authority
NTCP	National Tuberculosis Control Programme
OECD	Organisation for Economic Co-operation & Development
OHS	Occupational Health and Safety
OPEC	Organisation of Petroleum Exporting Countries
OPM	Office of the Prime Minister
PC	Personal Computer
PEAC	Presidential Economic Advisory Council
PGDP	Provincial Growth and Development Plan
PMS	Performance Management System
PMTCT	Prevention of Mother to Child Transmission
RSA	Republic of South Africa
SADC	Southern Africa Development Community
SADCC	Southern Africa Development Co-ordination Conference
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers Union
SAPS	South African Police Services
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SDR	Special Drawing Rights
SEA	Strategic Environmental Assessment
SLA	Service Level Agreement
SLA	Sustainable Livelihood Approach



SME	Small Micro Enterprises
SOP	Standard Operating Procedure
SSC	Social Security Commission
STATSSA	Statistics South Africa
STDs	Sexually Transmitted Diseases
TACs	Total Allowable Catches
TAS	Turnaround Strategy
TB	Tuberculosis
ToR	Terms of Reference
UN	United Nations
UNCCD	United Nations Convention to Combat Desertification
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNTAG	United Nations Transitional Assistance Group
USSR	Union of Soviet Socialist Republics
VAT	Value Added Tax
VET	Vocational Education and Training
VTB	the Vocational Training Broad
VTC	Vocational Training Centre
WASP	Water and Sanitation Programme
WB	World Bank
WCED	World Commission on Environment and Development
WCU	World Conservation Union
WDM	Water Demand Management
WSA	Water Services Authority
WSDP	Water Services Development Plan
WtE	Waste to Energy
WTO	World Trade Organisation
WTO2	World Tourism Organisation
ZERI	Zero Emission Research Initiative



## **IDP AND DOCUMENTATION**

### **STRUCTURE**

The review of our 4<sup>th</sup> generation IDP takes the form of a “package” of documents and instruments, each serving a different purpose but working interdependently. This document, titled “Ngqushwa Local Municipality Integrated Development Plan 2018/2019” forms the main document. Other documents and instruments that support the main document are:

The following documentation should be read with the IDP:

- IDP Guide Pack, with specific reference to Guide 3 and Guide 6
- District IDP Framework Plan
- ADM IDP/PMS/Budget Process Plan
- Various sector plans and programmes
- Amathole (7) Category B IDP's (2012 - 2017)
- ADM Performance Management Framework
- District Spatial Development Framework (SDF)
- Provincial Growth and Development Plan (PGDP) (2004-2014)
- Provincial Spatial Development Plan (PSDP)
- National Spatial Development Plan (NSDP)
- National Development Plan
- The Ngqushwa Local Municipal budget
- The Top Layer SDBIP (Service Delivery and Budget Implementation Plan) as derived from the iMAP
- The Service Delivery Business Implementation Plans of the different directorates of the Municipality which outline detailed programmes, projects, and associated resource allocation and performance targets
- Various sector plans to support and direct the work of different functional areas of the Municipality e.g. the Spatial Plan (WSDP)
- Ward Plans
- Local Government Legislation



## **ALIGNMENT WITH NATIONAL AND PROVINCIAL PROGRAMS**

The following National programs informed the IDP process:

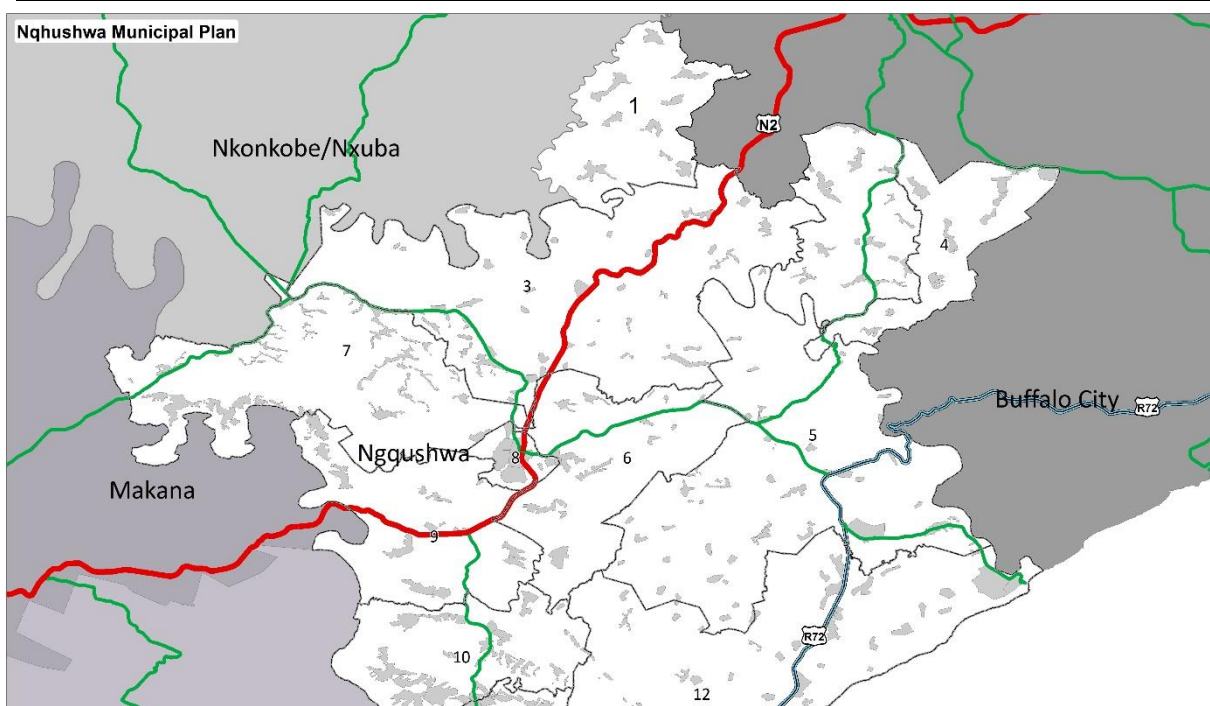
- State of the Nation Address (SONA)
- State of Local Government in South Africa
- Municipal Demarcation Board Reports
- COGTA: Local Government Turnaround Strategy (LGTAS)
- COGTA: Operation Clean Audit 2014
- Municipal Powers & Functions
- ANC Manifesto
- ANC January 8th Statement
- King IV Report & Code on Good Governance for South Africa
- 12 Outcomes of Government – Role of Local Government

### **Key Challenges**

- The equitable share from national focus (Equitable Share Formula/Model) is not favourable to rural municipalities.
- High dependency on national grants to implement capital & catalyst projects.
- Low revenue base due to high level of indigents as a result of the rural nature of the municipality
- Inability to implement strategic projects due to financial constraints.
- Limited institutional capacity to manage strategic and complex projects.
- Dilapidated buildings and strategic pockets of vacant land that belong to Public Works and Rural Development.
- Ageing roads infrastructure (provincial and municipal roads) and poor storm water drainage system in Peddie and Hamburg.
- Infrastructure backlogs due to the rural nature of the municipality .
- Natural endowment of the municipal area presents sustainable economic opportunities.

- Proximity to N2 and R72 with R345 dissecting the two national roads.
- Proximity to both East London airport and IDZ and Port Elizabeth airport and Coega IDZ.
- Upgrading of R72 by Sanral presents the area with an economic opportunity.
- Construction of R345 from R72 to Hamburg (R30m) by Public Works presents the area with an economic opportunity.
- Blue Flag status in Hamburg Beach.

Chapter 1	Background and Legalities for Ngqushwa Local Municipality
Chapter 2	Ngqushwa Local Municipality Geographic Profile and Situational Data
Chapter 3	KPA 1: Institutional Development and Design
Chapter 4	KPA 2: Quality Basic Service Delivery and Infrastructure Development
Chapter 5	KPA 3: Local Economic Development and Spatial Development
Chapter 6	KPA4: Financial Viability and Management
Chapter 7	KPA 5: Good Governance and Public Participation
Chapter 8	Projects and Programmes for Ngqushwa Local Municipality





# CHAPTER 1





# CHAPTER ONE

## INTRODUCTION

### 1.1 INTRODUCTION

We are officially known as the Ngqushwa Local Municipality and this is our legal description.

In order to stress our inclusiveness, as a municipality that presides over two towns and villages and the areas between them, all with our own treasured historic names and histories, all inhabited by people cherishing local hopes and aspirations, we make every effort to refer to the “greater” Ngqushwa area or Municipality. We are not responsible for only one, albeit significant, Peddie town in this larger constellation. We unequivocally pledge an equal commitment to all areas that make up for the greater Ngqushwa Local Municipality. The MSA requires municipalities in South Africa to prepare a five-year strategic plan to guide all development and management within the municipal area. The plan is developed in consultation with community stakeholders, and the provincial and national government. It is the principal planning instrument that guides and informs the municipal budget and all actions.

#### 1.1.1 Legal Framework for the revision of the IDP

The IDP comprises a package of documents. The document, titled Ngqushwa Local Municipality. Other documents and instruments that support the main document include the municipal budget, the SDBIP of the Municipality (containing detailed programmes, projects, and associated resource allocation and performance targets), various sector plans to support and direct the work of different functional areas of the Municipality, and Ward plans (currently under preparation). The IDP further outlines:

- The long term Visioning Planning for Ngqushwa towards 2057;
- An analysis of the Greater Ngqushwa area today, and current trends and issues;
- The national and regional policy context for preparing IDPs (including a spatial footprint of Provincial- and National Government’s budgetary intent);





- Citizens' needs for service delivery as expressed through various engagements;
- The findings of various medium and longer term sector plans, required by law and supporting and directing the work of different functional areas of the organisation;
- The Ngqushwa Local Municipality's overall strategy and way of work for the next five-years, including focus areas, predetermined objectives and activities,
- The Ngqushwa Local Municipality's broad financial plan and planned allocation of resources; and
- Related monitoring and evaluation activities over the year ahead.

## **1.2. WHY A LONG-TERM VISION FOR NGQUSHWA LOCAL MUNICIPALITY ?**

The Government has, since Independence in 1994 established a planning system based on medium to term plans, for promoting sustainable socio-economic development in the Republic of South Africa. There is, however, a National Development 2030 Plan within which the short and medium development goals are to be based and coordinated.

Based on policy orientated research on key national strategic issues, and on a process of discussion and dialogue (involving the private sector, civil society and the donor community) on the long-term goals and future of the Ngqushwa Local Municipality, Vision 2057 provides long term alternative policy scenarios on the future course of development in Ngqushwa up until the target year 2057. The Vision provides guidance to planning questions such as the following:

- Given the past and current conditions, what would development in the region portray by the year 2057?
- What do the people want Ngqushwa to depict by these future points in time?
- What should Ngqushwa Local Municipality do, between now and year 2057, to elevate Ngqushwa to the level of a developed society? It is clear that the dynamic process in the long-term future is more important for planning at the end point of the process. Perspective thinking is



particularly relevant for the short –and medium-term implementation of long-term planning targets.

Long-term perspective plans are therefore useful for anticipating changes, and for understanding events that are likely to happen. For example, given the current level of development, what would education scenario look like by the year 2057? What would happen if dropouts from schools decreased if our Government succeeded in eradicating illiteracy by the year 2030? What would happen if the current and planned HIV/AIDS activities succeeded in eradicating the decrease by the year 2025, for example?

These are pertinent questions, particularly because they directly influence development and investment decisions, expenditure and all the allocation of funds. They are directly linked to public policies and decision-making. Therefore, Ngqushwa 2057 will create policy synergies, which will effectively link long-term perspectives to short-term planning. Long-term perspectives are needed to understand the future repercussions of the past and current policies and planning activities.

### **1.3. STRATEGIC FRAMEWORK OF THE IDP**

#### **OUR VISION**

To be the preferred, vibrant, socio-economically developed municipal area that embraces a culture of human dignity, good governance, and characterised by good quality of service for all.

#### **OUR MISSION**

Ngqushwa Local Municipality will strive to become a benchmark institution in the country in respect of good quality and affordable services, through efficient resource mobilisation and management, stimulation of economic growth and good governance practices.

#### **CORE VALUES**

Linked to the mission the municipality also identified the following CORE VALUES to be adhered to by the Councillors, management and the officials of the Municipality :



## **COMPETENCY**

We commit to attract and retain a competent workforce to service our customers

## **HONESTY AND INTEGRITY**

We will demonstrate complete honesty and integrity in everything we do

## **DILIGENCE**

We will demonstrate caution, commitment and due diligence in discharging our duties

## **TRANSPARENCY**

We will be transparent and fair in all our dealings for utmost accountability

## **ACCOUNTABILITY**

We will create an environment to be held to account by our stakeholders and customers

## **PROFESSIONALISM**

We will always uphold and maintain a professional behaviour in executing our mandate and individual responsibilities for the furtherance of service delivery

## **VALUE FOR MONEY**

We commit derive value for money as return on investment in all business engagements with service providers

### 1.3.1 Our overarching strategy

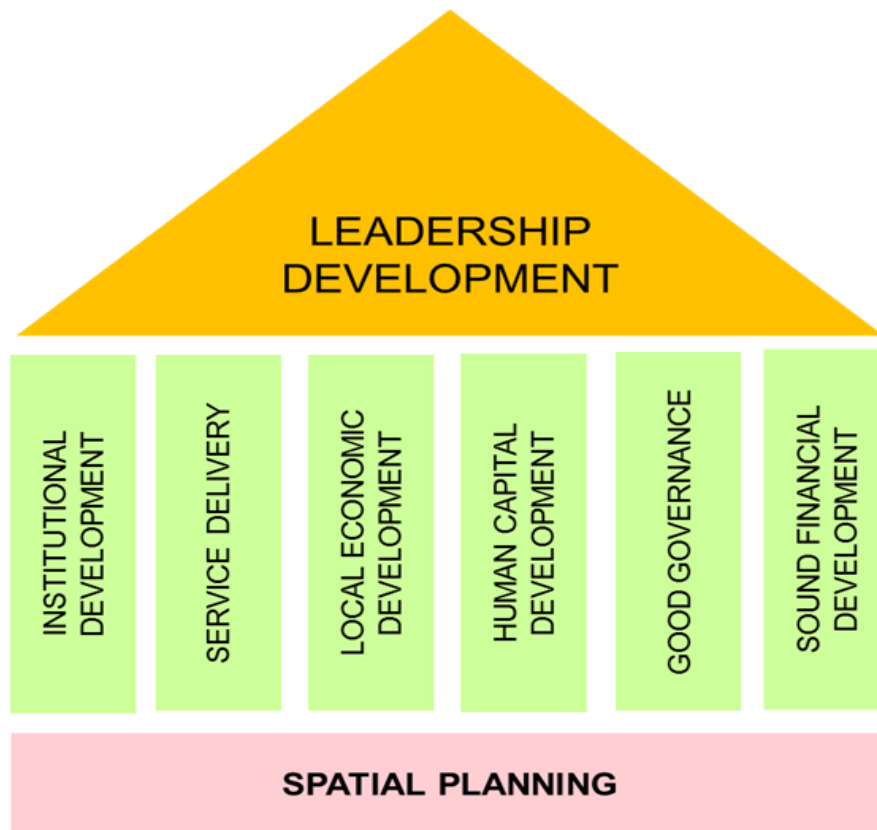


Figure : Strategic Eight KPA's

### 1.4. THE ROLE AND PURPOSE OF THE IDP

The definition of the IDP is as follows: “A participatory approach to integrating economic, sectoral, spatial, social, institutional, environmental and fiscal strategies in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population in a manner that provides sustainable growth, equity and the empowerment of the poor and the marginalised.” An IDP is, therefore, a plan that guides the activities and decisions of a Municipality for the next 5 years in terms of Chapter 5 of the Municipal Structures Act, 2000. It is subject to a review process that shall be followed annually to ensure the improvement of service delivery and the effectiveness of the administration of the Municipality .

The MSA requires each municipality in South Africa to prepare a strategic plan to guide all development and management within the municipal area. The plan is developed in consultation with community stakeholders, and the provincial and national governments. This IDP is then the principal planning instrument that guides and informs the municipal budget.

The focus of the IDP is varied and includes the provision of basic municipal services, measures for building and transforming municipal capacity, measures to assist in expanded livelihood opportunities for citizens, enterprise development, building dignified and safe living environments, and, crucially, exploring new ways of working and living together. In terms of the core components of IDPs, Chapter 5 and Section 26 of the MSA indicate that:

- The municipal Council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- The Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- The Council's development strategies which must be aligned with any national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- A spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- The Council's operational strategies;
- Applicable disaster management plans;
- A financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of section 41.





The IDP is informed by a leadership agenda, as contained in national and provincial policy documents, as well as the needs of local citizens and public, private and community organisations. It directs and is informed by, different aspects of the municipality's work, including how the municipality is structured politically and administratively, the municipal budget, the sector plans and service delivery and budget implementation plans of different municipal services, and how the municipality manages its performance. Integrated Development Planning, therefore, would mobilise Ngqushwa Local Municipality to focus itself, develop a future-directed vision and proactively position itself in a changing environment. Furthermore, it would enable Ngqushwa Local Municipality to gain a better understanding of the challenges it encounters and to identify effective methods to deal with it. By analysing the future, Ngqushwa Local Municipality, its leaders, other stakeholders and civil society can anticipate future opportunities and threats. We can develop the ability to optimise opportunities while controlling and minimising the threats. By identifying problems before they occur, Ngqushwa Local Municipality can avoid being trapped in a cycle of crises management, which consumes valuable financial and human resources – resources which could have been used to take advantage of opportunities.

One of the key components of the IDP process is an internal organisational audit or analysis. Such an analysis allows Ngqushwa Local Municipality to know and understand our own internal operations. On the basis of this understanding, Ngqushwa Local Municipality is in a better position to manage the changes that will be required to bring about the desired future. The aim of this analysis is to identify Ngqushwa Local Municipality's strengths and weaknesses, including its structures, staff composition, and deployment, financial situation and culture. The purpose is not to defend outdated and impractical structures, procedures and practices, but rather to establish an open-minded view of the organisation, to recognise problems, shortcomings, limitations and imbalances and to identify ways to overcome it. The institutional audit also focuses on exposing the vulnerability of the municipality in terms of identified threats. It highlights the capacity of the municipality to optimise opportunities and be proactive and future-directed.

Integrated Development Planning also provides an opportunity to establish and prioritise the needs to be addressed by a municipality. It grants Ngqushwa Local Municipality

the opportunity to inform the community and all stakeholders about available resources, and to involve them in prioritising services and service levels. It will enable Ngqushwa Local Municipality to allocate resources – human and financial – in order of priority. It also allows for the design of alternative service delivery mechanisms, such as public/private partnerships.

The IDP may, therefore, be defined as a holistic plan – the final product of the IDP process. It contains a range of projects, all designed to achieve specific development objectives. The IDP sets measurable development objectives and targets. For each of these objectives and targets, Ngqushwa Local Municipality assigns tasks, with set target dates and budgets, to specific persons or task teams. Ngqushwa Local Municipality is then able to monitor the course of each action and makes adjustments where necessary to ensure that the intended objective is achieved. The IDP also sets clear development objectives and targets and provides direction to improve performance. It sets key performance indicators (KPI's) and the criteria for measuring performance – both for the overall IDP and for specific projects. As such it enables management to align actions with set objectives. “Customer satisfaction” also serves as a performance measure. External stakeholders (the “customers” of the municipal services) are involved in identifying and prioritising needs, they are able to judge whether the objectives and targets have been successfully achieved as planned. They are therefore an integral part of the monitoring process.

By involving all stakeholders in the planning process and empowering them with knowledge about the municipality's strengths and weaknesses, and its resources and responsibilities, the municipality is then able to develop a realistic, achievable plan for future development. Stakeholders are also more likely to prioritise their needs and expectations realistically when they are involved in the planning process. Integrated Development Planning, therefore, provides an opportunity for stakeholders with different needs, priorities, and agendas to learn from each other and to negotiate and compromise around their established viewpoints. The process is not without disagreement and conflict but, if well managed, it can promote consensus and allow compromises and agreements on common development objectives for Ngqushwa Local Municipality to be reached. Through this process, Ngqushwa Local Municipality Councillors and officials also gain a better understanding of the municipality and the respective roles they must fulfil. This

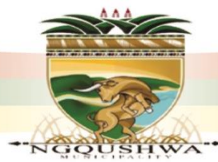


can enhance teamwork and promote commitment toward achieving the development and operational objectives contained in the IDP.

Integrated Development Planning can also be termed “participative planning” because it involves the participation of all stakeholders. In terms of the Constitution, all spheres of government – national, provincial and local – are required to promote “co-operative governance” – that is, a government which actively seeks to involve all those who have an interest in or a contribution to make. This is the cornerstone of our new democracy and for local government, granting the client base, the citizens and affected stakeholders and groups, an opportunity to be involved in decision-making that affects them. However, meaningful participation entails that Ngqushwa communities and stakeholders have to be empowered with the necessary information and knowledge about all the issues that have to be addressed. This will ensure constructive, practical and achievable objectives. The IDP process is the medium through which such knowledge is channelled to Ngqushwa stakeholders, and through which they are empowered to participate in planning for the future. Informed participation also enables the Ngqushwa community to take shared responsibility for the destiny of the municipality and provides the benefit of greater commitment by stakeholders towards the IDP.

The IDP process, on the other hand, facilitates budgeting in accordance with planning as it enables the budget to be linked to the IDP as required by the Municipal Systems Act, 2000. In particular, it provides for strategic management based on a budget, driven by the key development priorities. Stringent financial control and sound financial management are not possible unless there is a focused budget, based on specific objectives with no “fat reserves” and unallocated resources. Integrated Development Planning, if correctly carried out, ensures that realism dictates the budget.

Planning for future development also means planning for change. This new IDP provides a tool for managing the change which automatically comes with development. Through the IDP process, the mind-sets of people are changed to address the realities of the present and to embrace the opportunities the future holds. The process requires a new approach to management and planning and determines the rules with which a municipality’s structure and people must comply to develop a culture of change management. An IDP once adopted, remains effective for a five-year period in terms of



Chapter 5 of the Municipal Structures Act, 2000, but shall be reviewed annually. This will ensure that priorities that have changed since the adoption of the plan are reflected and incorporated. It also ensures the continuous alignment of the IDP and its strategies with that of national and provincial sector departments.

The IDP is a fully-fledged elaborate process that involved the participation of all relevant stakeholders. During 2016/2017 a new approach was followed by Ngqushwa Local Municipality in that the Executive Mayor had meetings with different sectors of the community e.g. youth, churches, businesses and traditional healers. It is driven by officials and Ward Councillors. It is more a process through which municipalities prepare a strategic development plan. It intends to formulate a long-term common vision, development objectives and strategies for Ngqushwa Local Municipality. In order to achieve this, the following stages of the process were introduced and used as a guideline to maximise community participation”

#### **1.4.1 Analysis phase:**

- Consolidated picture of the current reality (scan existing IDPs/Land Development Objectives), in line with the municipality ;
- Service backlogs (housing, sanitation, water, electricity, roads, and waste);
- Institutional capacity (number of professionals per department, staff structure, existing committees, structures, and forums);
- Revenue potential;
- Expenditure pattern (capital and operational, and include the status of projects); and o Key development priorities.

#### **1.4.2 Strategy phase:**

- Long term Visioning of Ngqushwa towards 2057 (40-year prognosis);
- IDP Development Objectives;
- IDP Strategies;
- IDP Projects identified; and
- Link Key Performance Areas (KPA's) and objectives to sectoral functions.

#### **1.4.3 Project phase:**

- Foundation of Program Management Consultant
- Formation of project task teams;
- Preliminary budget allocation to projects; and
- Designing project proposals.

#### **1.4.4 Integration:**

- Screening/revision of projects; and
- Compilation of integrated programmes/plans.

#### **1.4.5 Approval:**

- Discussion by Council;
- Public comments;
- District alignment; and
- Final approval.

The review process of the IDP requires Public Participation through public meetings. These meetings are advertised through notices placed on Council's notice boards, and the local newspapers, Short Message System (SMS) to residents in our 12 wards and the use of loud hailing encouraging participation to discuss the draft reviewed IDP.

### **1.5. REVISING THE 2017-2022 IDP FOR 2018-2019 IDP**

Section 34 of the Local Government: Municipal Systems Act, No. 32 of 2000 prescribes that a municipal Council:

- must review its Integrated Development Plan-
- annually in accordance with an assessment of its performance measurements in terms of section 41; and
- to the extent that changing circumstances so demand; and





- may amend its IDP in accordance with a prescribed process

The legislative framework provides an opportunity for Council, together with its Administration and the community, to take stock of progress made, identify areas of improvement and reprioritise resources in line with the changing needs of Communities.

### **1.5.1 IDP Revision Framework**

The revision has been undertaken within the parameters of the following framework:

#### **1.5.1.1 Assessment Issues**

- The comments on the 2017/18 (Revised) IDP provided by the MEC for Local Government in accordance with Sections 31 and 32 of the Municipal Systems Act;
- LGMTEC 3 Report by Provincial Treasury and the Provincial Department of Local Government assessing the Draft IDP and Budget during 2017/18; and
- Shortcomings and weaknesses identified through self-assessment.

#### **1.5.1.2 Review of the Strategic Elements of the IDP in terms of priorities of Council and the objectives of Management**

- Review of the Strategic elements of the IDP and integrating the strategic intent throughout the budget process and the finalising of the Service Delivery and Budget Implementation Plan; and
- Review of elements of the Spatial Development Framework.
- Update of Master Plans and Sector Plans

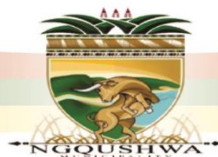
#### **1.5.1.3 Inclusion of New Information where necessary**

- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the compilation of the 2018-2019 IDP (i.e. MFMA Regulatory Circulars);

- Review of the Strategic Elements of the IDP, particularly in the context of Organisational Redesign;
- The ongoing alignment of the Ngqushwa Local Municipality's Performance Management System (PMS) Policy Framework, in terms of Chapter 6 of the MSA, with the IDP;
- The update of the Financial Plan, the list of projects (both internal and external funded), and the capital investment framework;
- Revision of the Performance Management System: Five-year IDP Implementation Map (i-MAP) which will ensure closer alignment between the IDP, Budget and Service Delivery and Budget Implementation Plan (IDP/BUDGET/SDBIP Alignment)
- Joint intergovernmental planning platforms and a clearer reflection of provincial and national government's investment footprint in the municipal space;
- Update of the Socio-Economic Profile;
- Public Participation Input and revision of Ward Plans; and
- Medium to Long-term Strategies and its alignment with the IDP, Long-term Budget and Performance Management System

#### 1.5.1.4 Key Elements for review

- Envisioning of Ngqushwa towards 2057
- Socio-economic profile
- Public participation input
- Update on sector plans, e.g. SDF and LED Strategy, Disaster Management Framework
- Performance Management: five-year IDP Implementation Map (i-MAP) which will ensure closer alignment between the IDP, Budget and Service Delivery and Budget Implementation Plan (IDP/BUDGET/SDBIP Alignment)
- Institutional planning and Financial planning
- Report on the consideration and responses to 2016 MEC letter issues
- Joint intergovernmental planning platforms and a clearer reflection of
- Provincial and National Government's investment footprint in the municipal space



- Increased efforts to achieve better alignment between sector plans internally and with those of Local
- Municipalities, Provincial and National government.

### 1.5.2 Comments provided by the MEC for Local Government

The annual assessment of municipal Integrated Development Plans (IDP's) and budgets by Provincial Governments is essential. The importance of this assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act No 56 of 2003 56 of 2003 (MFMA). Provincial assessments afford the provincial sphere of government an opportunity to play its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates. The final 2018/2019 IDP and budget will be assessed against the following key areas:

- Outstanding findings from previous LG MTEC 3 engagements with the Municipality;
- Conformance with the Municipal Budget and Reporting Regulations (MBRR);
- Responsiveness of draft IDP and budget; and
- Credibility and sustainability of the budget.

### 1.6 THE HIGH-LEVEL PREPARATION PROCESS FOR THE NEW IDP

The high-level preparation process and timeline for the 4<sup>th</sup> Generation IDP are reflected in Table 1.2 below.

<b><u>2018/2019 IDP/ BUDGET PMS PROCESS PLAN CALENDER</u></b>			
<b>PHASE 1: DEVELOPMENT OF 2018/2019 IDP/BUDGET &amp; PMS PROCESS PLAN FROM JULY-SEPTEMBER 2017</b>			
<b>TABLING ADOPTED 2018/2019 IDP/BUDGET &amp; PMS PROCESS PLAN &amp; TABLING OF 2016/17 PERFORMANCE INFORMATION</b>			
<b>No</b>	<b>Date</b>	<b>Activity</b>	<b>Responsible Person's</b>
<b>1</b>	04 August 2017	IDP/Budget and PMS Steering Committee	Mayor / Municipal Manager /HOD's



2	21 August 2017	IDP/Budget and PMS Representative Forum	Mayor / Municipal Manager /HOD's
3	30 August 2017	Inter-Governmental Relations Forum	Mayor / Municipal Manager /HOD's

## PHASE 2: SITUATIONAL ANALYSIS : FROM OCTOBER-DECEMBER 2017

### CONDUCT SITUATIONAL ANALYSIS FOR 2018/2019 IDP REVIEW

4	3-13 October 2017	Tabling of 2016/17 Draft Annual Report (MPAC Annual Report Roadshows)	Mayor /Speaker /MPAC Chairperson /Municipal Manager
5	25 October 2017	Council Meeting	Mayor /Speaker /Council /Municipal Manager and HOD's
6	24 November 2017	IDP/Budget and PMS Steering Committee	Mayor / Municipal Manager /HOD's
7	29 November 2017	Inter-Governmental Relations Forum	Mayor / Municipal Manager /HOD's
8	4 December 2017	IDP/Budget and PMS Representative Forum	Mayor/Municipal Manager /HOD's
9	13 December 2017	Council Meeting	Mayor /Speaker /Council /Municipal Manager and HOD's
10	24 January 2018	Council Meeting	Mayor /Speaker /Council /Municipal Manager and HOD's

## PHASE 3: STRATEGIES :FROM JANUARY 2018 – MARCH 2018

### CONDUCT STRATEGIC PLAN (2018/2019 DRAFT IDP /DRAFT 2018/2019 BUDGET /DRAFT 2018/2019 SDBIP)

11	29-31 January 2018	Technical Strategic Planning	Municipal Manager/HOD's /Strategic Planning and Development Manager
12	5-9 February 2018	Institutional Strategic Planning	Municipal Manager/HOD's /Strategic Planning and Development Manager
13	27 February 2018	Inter-Governmental Relations Forum	Mayor / Municipal Manager /HOD's
14	31 March 2018	Council Meeting	Mayor /Speaker /Council /Municipal Manager and HOD's

<b>PHASE 4: INTEGRATION OF SECTOR PLANS AND APPROVAL OF IDP &amp; BUDGET : FROM APRIL –JUNE 2018</b>			
<b>ALIGN SECTOR PLANS &amp; FINAL APPROVAL OF 2018/2019 IDP &amp; 2018/2019 BUDGET</b>			
<b>15</b>	16-23 April 2018	IDP/Budget and PMS Roadshows	Mayor/Municipal Manager
<b>16</b>	11 May 2018	IDP/Budget and PMS Steering Committee	Mayor / Municipal Manager /HOD's
<b>17</b>	17 May 2018	IDP/Budget and PMS Representative Forum	Mayor/Municipal Manager /HOD's
<b>18</b>	30 May 2018	Inter-Governmental Relations Forum	Mayor / Municipal Manager /HOD's
<b>19</b>	31 May 2018	Council Meeting	Mayor /Speaker /Council /Municipal Manager and HOD's

Table: 2018/2019 IDP/Budget PMS Process Plan Calendar

## 1.7 LEGAL CONTEXT

According to Section 27(2) of the Municipal Systems Act, the framework plan binds both the district municipality and the local municipalities. The Act states that the framework plan must at least cover the following:

- Identify plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or on any specific municipality ;
- Identify matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment;
- Specify the principles to be applied and co-ordinate the approach to be adopted in respect of those matters; and
- Determine procedures;
- For consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans; and



- To effect essential amendments to the framework.

The Municipality Finance Management Act (MFMA) is very clear in respect to time-frames for the IDP and the budget. The MFMA requires the budget and IDP schedule (or the IDP Process Plan) to be adopted by Council by the end of August, the budget and IDP to be tabled before the Council in March and Budget and IDP to be adopted by the Council in May (section 21 and 24).

### **1.7.1 Elements of IDP Development**

The review of the IDP process is mainly geared towards picking up on the early-warning sign for corrective action whenever it is required. The performance indicators are flowing from the IDP and constitute the heart of the Performance Management System. The above lay the basis for the review of the Integrated Development Plan.

Apart from the statutory imperative, it is necessary for Ngqushwa Local Municipality to review its IDP in order to:

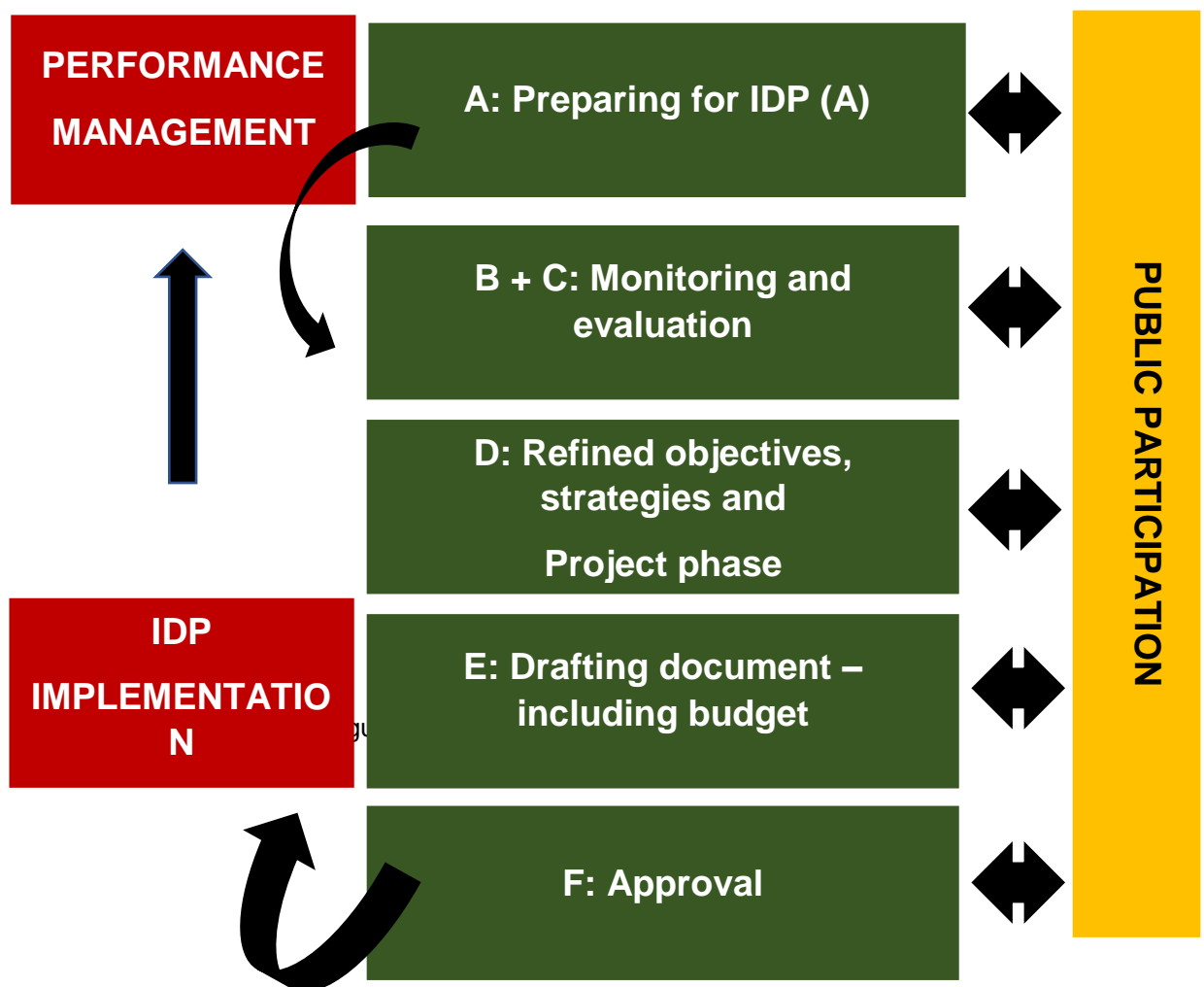
- Ensure the IDP's relevance as the municipality's strategic plan;
- Inform other components of the municipal business processes, including institutional and financial planning and budgeting;
- Inform the cyclical inter-governmental planning and budget processes.

In the IDP review cycle changes to the IDP may be required from these main sources:

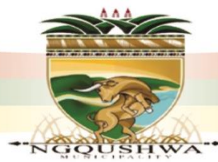
- Comments from the MEC, if any;
- Incorporation of the most recent descriptive data;
- Review and refinement of the objectives and strategies;
- Review and refinement of the projects;
- Amendments in response to changing circumstances and;
- Improving the IDP process and content.

### 1.7.2 IDP Process

This process describes a continuous cycle of planning, implementation, and review as can be seen in the figure below. During the year new information becomes available and unexpected events may occur. Some of the information can make immediate changes to the planning and the implementation of the IDP. After the reviewed IDP has been adopted, implementation as well as situational changes will continue to occur, which is again monitored throughout the year and evaluated as indicated in Diagram 1 for consideration in the next IDP .



### 1.7.3 Organisational Arrangement



The following arrangement has set out to institutionalise community participation and also to enable the municipality to manage the drafting output.

#### 1.7.3.1 The Council

Terms of reference:

- Considers and adopts the process plan;
- Is also responsible for adopting the IDP.

#### 1.7.3.2 IDP Manager

The Municipal Manager, Ms M.P.Mpahlwa, will manage the Ngqushwa Local Municipal IDP.

#### 1.7.3.3 Terms of reference for the IDP Manager

The IDP Manager shall, in accordance with the provisions of the IDP legislation framework:

- Ensure that the local framework is drafted and approved by Council;
- Manage the IDP by ensuring that all daily planning activities are performed within an efficient consideration of available time; financial and human resources;
- Ensure that the planning process is participatory, strategic and implementation orientated and is aligned with and satisfies sector planning requirements, planning process and compliance with action programme;
- Ensure that the planning process outcomes are clearly documented;
- Chair the IDP Technical Steering Committee;
- Will coordinate with various government departments and the district IDP manager to ensure that all projects, strategies, and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and visa versa;
- Responds to comments on the draft IDP from the public, horizontal alignment and other spheres of government to the satisfaction of the Council;
- Ensure that annual business plans and municipal budget are linked and based on the IDP;



- Adjust the IDP in accordance with the proposals issued by the MEC responsible for the Local Government as per the provision of Section 32(2) (a) of the Municipal Systems Act.

#### 1.7.3.4 IDP/Budget and PMS Steering Committee

The IDP/PMS and Budget Steering Committee will consist of:

- Mayor Chairperson;
- Municipal Manager;
- Senior Management;
- Chief Whip of Traditional Leaders; Prince Zitshu;
- Ward Councillors;
- Community Development Workers;
- Secretaries (1 per ward) of Ward Committees.

#### 1.7.3.5 Terms of Reference of the IDP/Budget and PMS Steering Committee

- Provides terms of reference for the various planning activities;
- Compile departments operational and capital information;
- Commissions research studies;
- Consideration and making comments on inputs from role players and sub-committees;
- Makes content recommendations;
- Prepares, facilitates and document meeting outcomes;
- Meet regularly to consider issues to be tabled before the IDP/Budget and Representative Forum;
- Ensure integrated budgeting;
- Monitors implementation of the municipal IDP;
- Review stakeholders' list;
- Considers comments from the Eastern Cape Department of Cooperative Governance and Traditional Affairs and take corrective measures.



#### 1.7.3.6 IDP/Budget and PMS Representative Forum

The forum will consist of:

- The Mayor (convene and chair meetings);
- IDP/Budget and PMS Technical Steering Committee;
- IDP/Budget and PMS Steering Committee;
- Ward Committees;
- Community – based organisations;
- Advocates for unorganised groups;
- Civil society;
- Business People;
- Organised labour;
- Sector Departments.

#### **Terms of Reference**

- Represent the interests of their constituencies;
- Provide organisational mechanism for discussion, negotiation and decision making between the stakeholders;
- Ensure adequate communication amongst all the stakeholders' representative;
- Monitor the performance of the planning and implementing



#### 1.7.4 Municipal Structures participation and involvement

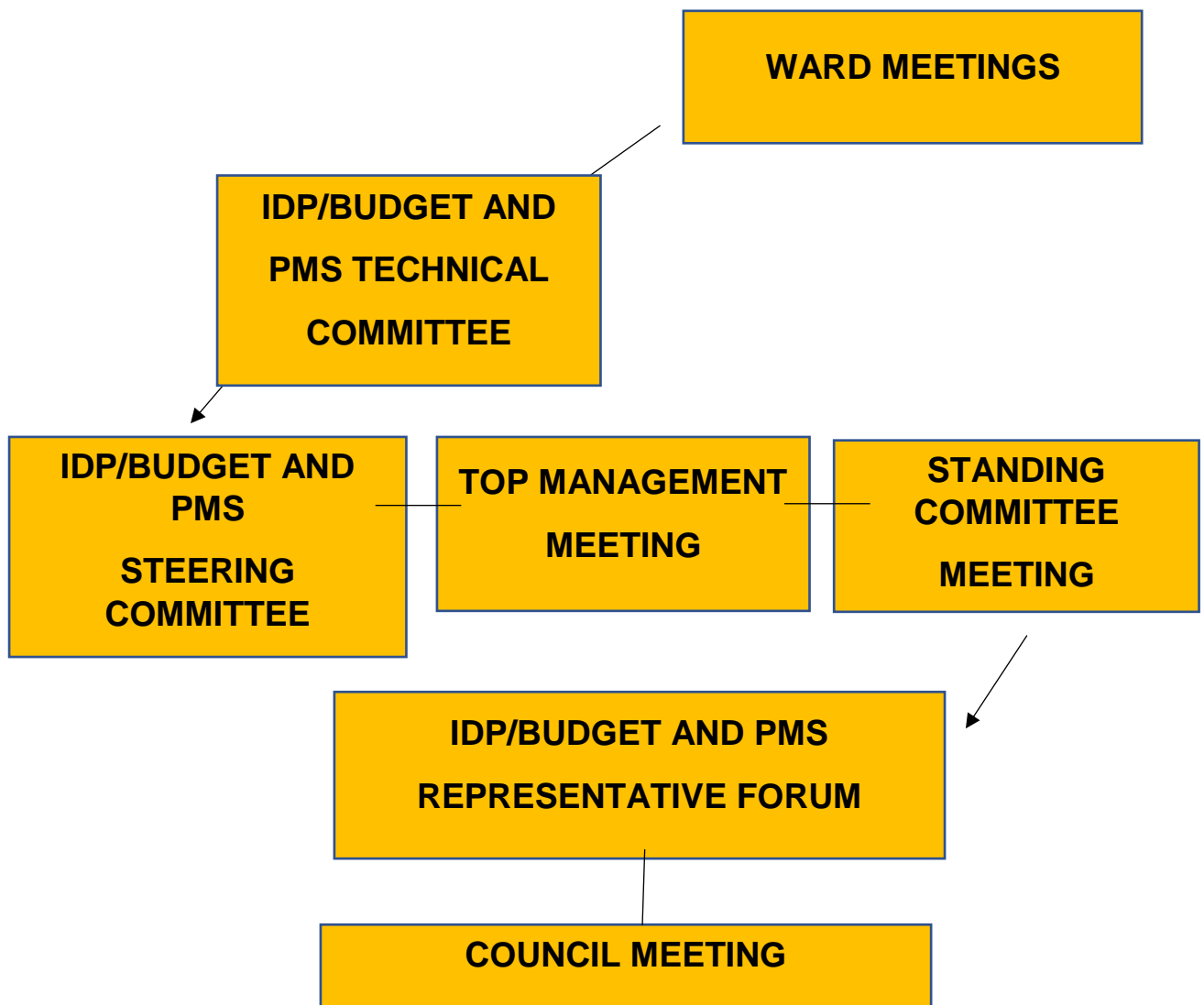
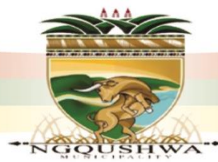


Figure: Ngqushwa Local Municipal Structures participation and involvement

The formula of structures co-operation will definitely lead to the Council for approval and consideration, it's down to the top approach.

#### 1.7.5 Procedures for community and stakeholders participation

Ngqushwa Local Municipality advocates for the promotion of “Active Citisenship” within its municipal jurisdiction. The municipality also advocates for a people-centered municipality that ensures that Batho Pele Principles are promoted and adhered to. The



IDP and Budget Processes demand the involvement of community and stakeholder organisations in the process. This ensures that the IDP addresses the real issues that are being experienced by the citizens within the municipality .

#### 1.7.5.1 Participation Procedures

Provision of MSA Chapter 4 Section 17 provide for mechanisms for participation;

- IDP Representative Forum to verify and add data;
- District Municipality 's Representative Forum to ensure that local priorities are adequately reflected in the District's IDP;
- Use Ward Councillors to call meetings to keep communities informed about the IDP Progress (including Ward Committees and CDWs);
- Publish annual reports on municipal progress;
- Advertise in local newspapers;
- Making the IDP document available to all units and public places for public comments;
- Making use of the municipal website.

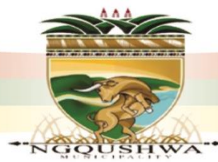
#### 1.7.5.2 Appropriate Language Use and Communication Mechanisms

English will be used as a medium of communication. However in community meetings languages that are spoken in that community will also be used. The municipal website, newsletter, Isolezwe newspaper and daily dispatch will be utilised for publication of the following Council events;

- IDP/Budget and PMS Representative forum;
- Publication of IDP/Budget and PMS Process Plan;
- Mayoral Imbizo/IDP/Budget road show.

#### 1.7.5.3 Appropriate venue and transport

- Officials will be responsible for arranging venues and transport for all wards;
- Transport will be arranged for Designated Groups and Ward Committees;



- Ngqushwa Municipality will be responsible for the cost of these meetings.

### **1.7.6 Mechanisms and Procedures for Alignment**

The Municipal Manager of Ngqushwa Municipality will be responsible for ensuring smooth coordination of the IDP process and its alignments with the District's IDP through bilateral discussions with affected sector departments and neighbouring municipalities. Inter-Governmental Forums will also be used to ensure that beneficial alignment of programmes and projects do occur.

#### **1.7.7 The Budget Process**

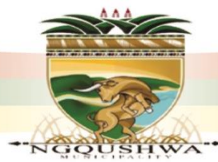
The budget proposals for the 2018/19 financial year should be informed by Council's Integrated Development Planning process, particularly in terms of objectives, outputs, and targets envisioned for the next 3 years. In this way, budget proposals and the Integrated Development Plan will be linked directly to each other.

Quality budgeting enhances service delivery. This is the main message underlying recent reforms that Council has been subjected to. In particular, integrated planning, budgeting and monitoring of service delivery performance give. The performance management systems give effect to the emphasis on improved transparency and accountability for the management and use of public resources. The budget process allows Council to:

- Revise its policy priorities, macroeconomic framework and resource envelope;
- Evaluate departmental plans and allocate available resources in line with policy priorities;
- Obtain the required authority from Council to spend.

##### **1.7.7.1 Matching policy priorities and resources**

Deciding and agreeing on the best allocation of scarce resources to fund Council's many social, economic and political goals is the main purpose of the budget process. The budget process starts early in the year with a review of the IDP budget processes of the previous year and the budget parameters. The Budget process starts early in the year



with a review of the IDP and budget processes of the previous year and the budget parameters. Additional resources for funding new priorities arise from a review of the overall budget framework, including fiscal policy considerations, overall spending growth, inflation assumptions, and debt interest projections. The budget and IDP are to be presented for approval on or before 31 May 2018 as indicated in Table below:

July – August 2017	Review previous IDP and budget process plans
September 2017	Set parameters and establish the budget task team
October 2017	Consider the revision of Council's establishment plan – meeting the HR capacity needs and the cost application of such capacity (functions to be considered)
November 2017 – February 2018	Align the budget to Council's policy priorities
February 2018	Consolidate the budget and macro summary
March 2018	Table the draft budget in Council for approval
April – May 2018	Consult the public on the IDP and budget
May 2018	Table the final budget in Council for adoption
June 2017	Submit adopted budget to National Treasury

Table: Budget Process Plan timeline

#### 1.7.7.2 Policy priorities and public expenditure

Strengthening the link between Council policy priorities and expenditures is at the core of budgeting. Expenditure allocation translates policy priorities into the delivery of services to communities and is, therefore, a key tool for accomplishing Council's goals.

#### 1.7.7.3 Political oversight of the budget process

The key to strengthening the link between priorities and spending plans lies in enhancing political oversight of the budget process. The Mayor should establish a Budget Steering Committee that is chaired by the portfolio Councillor for finance, with the committee consisting of the chairpersons of each of the standing committees.



#### 1.7.7.4 Political oversight of the budget process is essential to ensure that:

- The political executive is responsible for policy and prioritisation;
- Policy priorities are linked to cluster spending plans and the delivery of quality services.

The budget process commences with parameter and policy assessment and formulation. Budgeting is primarily about the choices and trade-offs that Council has to make in deciding how to meet the agreed set of policy objectives through better service delivery. Political oversight of the budget process allows Council to manage the tension between competing for policy priorities and fiscal realities.

#### 1.7.7.5 Budgeting for service delivery

Strengthening the link between Council's priorities and spending plans is not an end in itself. The goal is to improve delivery of services and ultimately the quality of life of people throughout the municipal area.

Sound budgeting as mentioned in the introduction leads to enhanced service delivery. In particular, integrated planning, budgeting and monitoring of service delivery performance strengthen the link between the services that departments provide and the benefits and costs of these services. It is important to emphasise the role of performance management which serve to monitor performance against measurable performance objectives that are informed by service delivery targets as captured in the various sector plans.



## 1.8 SUSTAINABLE DEVELOPMENT GOALS (SDGS)

GOALS	TARGETS
1. End poverty in all its forms everywhere	<ul style="list-style-type: none"> <li>• By 2030, eradicate extreme poverty for all people everywhere,</li> <li>• By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty</li> <li>• Implement nationally appropriate social protection systems and measures for all,</li> <li>• By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources,</li> <li>• By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events</li> </ul>
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture	<ul style="list-style-type: none"> <li>•By 2030 end hunger and ensure access by all people, in particular the poor and vulnerable</li> <li>•By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets</li> <li>•By 2030, double the agricultural productivity and incomes of small-scale food producers,</li> <li>•By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production,</li> <li>•By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species</li> </ul>
3. Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>•By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births;</li> <li>•By 2030, end preventable deaths of newborns and children under 5 years of age;</li> <li>•By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases;</li> <li>•By 2030, reduce by one third premature mortality from non-communicable diseases;</li> <li>•Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol;</li> <li>•By 2020, halve the number of global deaths and injuries from road traffic accidents;</li> </ul>

	<ul style="list-style-type: none"> <li>•By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education;</li> <li>•Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all;</li> <li>•By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</li> </ul>
<p><b>4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</b></p>	<ul style="list-style-type: none"> <li>•By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education</li> <li>•By 2030, ensure that all girls and boys have access to quality early childhood development care and pre-primary education;</li> <li>•By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university;</li> <li>•By 2030, increase by [x] per cent the number of youth and adults who have relevant skills,</li> <li>•By 2030, eliminate gender disparities in education and ensure equal access to all levels of education</li> <li>•By 2030, ensure that all youth and at least [x] per cent of adults, achieve literacy and numeracy</li> <li>•By 2030, ensure that all learners acquire the knowledge and skills needed to promote development,</li> </ul>
<p><b>5. Achieve gender equality and empower all women and girls</b></p>	<ul style="list-style-type: none"> <li>•End all forms of discrimination against all women and girls everywhere;</li> <li>•Eliminate all forms of violence against all women and girls in the public and private spheres,</li> <li>•Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation;</li> <li>•Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies</li> </ul>

	<ul style="list-style-type: none"> <li>• Ensure women's full and effective participation and equal opportunities for leadership at all levels</li> <li>• Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development</li> </ul>
<b>6. Ensure availability and sustainable management of water and sanitation for all</b>	<ul style="list-style-type: none"> <li>• By 2030, achieve universal and equitable access to safe and affordable drinking water for all;</li> <li>• By 2030, achieve access to adequate and equitable sanitation and hygiene for all;</li> <li>• By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials,</li> <li>• By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially;</li> <li>• By 2030, implement integrated water resources management at all levels, including through transboundary;</li> <li>• By 2020, protect and restore water-related ecosystems, include mountains, forests, wetlands, rivers, aquifers and lakes</li> </ul>
<b>7. Ensure access to affordable, reliable, sustainable and modern energy for all</b>	<ul style="list-style-type: none"> <li>• By 2030, ensure universal access to affordable, reliable and modern energy services;</li> <li>• By 2030, increase substantially the share of renewable energy in the global energy mix;</li> <li>• By 2030, double the global rate of improvement in energy efficiency</li> </ul>
<b>8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</b>	<ul style="list-style-type: none"> <li>• Sustain per capita economic growth in accordance with national circumstances</li> <li>• Achieve higher levels of economic productivity through diversification, technological upgrading and innovation,</li> <li>• Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, (SMMES);</li> <li>• Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation,;</li> </ul>

	<ul style="list-style-type: none"> <li>•By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value;</li> <li>•By 2020, substantially reduce the proportion of youth not in employment, education or training;</li> <li>•Take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour, eradicate forced labour and, by 2025, end child labour in all its forms, I</li> <li>•Protect labour rights and promote safe and secure working environments for all workers, By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products;</li> <li>•Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all</li> </ul>
<p><b>9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</b></p>	<ul style="list-style-type: none"> <li>•Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure</li> <li>•Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product;</li> <li>•Increase the access of small-scale industrial and other enterprises, in particular in developing countries</li> <li>•By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes,</li> <li>•Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries;</li> </ul>
<p><b>10.Reduce inequality within and among countries</b></p>	<ul style="list-style-type: none"> <li>•By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average</li> <li>•By 2030, empower and promote the social, economic and political inclusion of all,</li> <li>•Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices</li> </ul>

	<ul style="list-style-type: none"> <li>• Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality;</li> <li>• Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation</li> <li>• Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions;</li> <li>• Facilitate orderly, safe, regular and responsible migration and mobility of people,</li> </ul>
<b>11. Make cities and human settlements inclusive, safe, resilient and sustainable</b>	<ul style="list-style-type: none"> <li>• By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</li> <li>• By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all,</li> <li>• By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries;</li> <li>• Strengthen efforts to protect and safeguard the world's cultural and natural heritage;</li> <li>• By 2030, significantly reduce the number of deaths and the number of people affected and decrease by [x] per cent the economic losses relative to gross domestic product caused by disasters,</li> <li>• By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management;</li> <li>• By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities</li> </ul>
<b>12. Ensure sustainable consumption and production patterns</b>	<ul style="list-style-type: none"> <li>• Implement the 10-year framework of programmes on sustainable consumption and production;</li> <li>• By 2030, achieve the sustainable management and efficient use of natural resources;</li> <li>• By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses;</li> <li>• By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle,</li> </ul>



	<ul style="list-style-type: none"> <li>• By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</li> <li>• Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle;</li> <li>• Promote public procurement practices that are sustainable, in accordance with national policies and priorities;</li> <li>• By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</li> </ul>
<b>13. Take urgent action to combat climate change and its impacts</b>	<ul style="list-style-type: none"> <li>• Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change.</li> <li>• Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries;</li> <li>• Integrate climate change measures into national policies, strategies and planning;</li> <li>• Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</li> </ul>
<b>14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development</b>	<ul style="list-style-type: none"> <li>• By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution;</li> <li>• By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans;</li> </ul>

	<ul style="list-style-type: none"> <li>• Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels</li> <li>• By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing;</li> <li>• By 2020, conserve at least 10 per cent of coastal and marine areas, consistent with national and international law and based on the best available scientific information;</li> <li>• By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing,</li> <li>• By 2030, increase the economic benefits to small island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism,</li> </ul>
<b>15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</b>	<ul style="list-style-type: none"> <li>• By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry-lands, in line with obligations under international agreements;</li> <li>• By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and increase afforestation and reforestation by [x] per cent globally;</li> <li>• By 2020, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation-neutral world;</li> <li>• By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in</li> </ul>

order to enhance their capacity to provide benefits that are essential for sustainable development;

- Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species;
- Ensure fair and equitable sharing of the benefits arising from the utilization of genetic resources and promote appropriate access to such resources;
- Take urgent action to end poaching and trafficking of protected species of flora and fauna and address both demand and supply of illegal wildlife products;
- By 2020, introduce measures to prevent the introduction and significantly reduce the impact of invasive alien species on land and water ecosystems and control or eradicate the priority species;
- By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts

**16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**

Significantly reduce all forms of violence and related death rates everywhere;

- End abuse, exploitation, trafficking and all forms of violence against and torture of children
- Promote the rule of law at the national and international levels and ensure equal access to justice for all
- By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime;
- Substantially reduce corruption and bribery in all their forms;
- Develop effective, accountable and transparent institutions at all levels;
- Ensure responsive, inclusive, participatory and representative decision-making at all levels;
- Broaden and strengthen the participation of developing countries in the institutions of global governance
- By 2030, provide legal identity for all, including birth registration;
- Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

**17. Strengthen the means of implementation and revitalize the global partnership for sustainable development**

- Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection;
- Developed countries to implement fully their official development assistance commitments, including to provide 0.7 per cent of gross national income in official development assistance to developing countries, of which 0.15 to 0.20 per cent should be provided to least developed countries;
- Mobilize additional financial resources for developing countries from multiple sources;
- Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress;
- Adopt and implement investment promotion regimes for least developed countries

Table: Sustainable Development Goals (SDGs)

## 1.10 NATIONAL DEVELOPMENT PLAN 2030

The National Development Plan (NDP) offers a long-term perspective. It defines the desired destination and identifies the role different sectors of society need to play in reaching that goal, previous Minister in The Presidency: National Planning Commission, Trevor Manuel, said at a media briefing on the implementation of the plan on 19 February 2013. The NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state,





and promoting leadership and partnerships throughout society. Minister Manuel highlighted the processes in the implementation of the plan:

- The NDP and its proposals will need to be implemented in the right order over the Next 13 years. Three phases have been identified.
- Government has already started a process to align the long-term plans of departments with the NDP and to identify areas where policy change is required to ensure consistency and coherence.
- The NDP is a plan for the whole country. The government will engage with all sectors to understand how they are contributing to implementation, and particularly to identify any obstacles to them fulfilling their role effectively.
- The Plan will also shape budget allocation over the next 13 years.
- The Plan identifies the task of improving the quality of public services as critical to achieving transformation. This will require provinces to focus on identifying and overcoming the obstacles to achieving improved outcomes, including the need to strengthen the ability of local government to fulfil its developmental role.
- Planning and implementation should be informed by evidence-based monitoring and evaluation.
- The President and Deputy President will be the lead champions of the Plan within Cabinet, in government and throughout the country. Premiers and Mayors will need to be visible and active champions of the Plan, with their offices being the catalytic agencies to drive implementation at provincial and municipal levels.
- Read more about the implementation in the then Minister Manuel's statement.

#### **1.10.1 National Government Priority Areas**

The National Government has committed itself to make a difference in the lives of people by addressing five key priority area being education, fighting crime, health, employment and rural development. The government is moving with speed to ensure that the aims of its five key priorities are met.

- Improved Healthcare Services



Plans were already in place to set up a National Health Insurance (NHI) by 2013. This will ensure that all South Africans, even those who are not on medical aid, will have access to affordable quality healthcare.

- Rural Development

On rural development, government, through the Department of Rural Development and Land Reform started the Comprehensive Rural Development Programme in provinces that were hardest hit by under-development. This has seen government's War on Poverty Programme being the central point of the Rural Development Programme. It involves various other departments including Social Development, Agriculture, and Water Affairs.

- Job Creation through New Growth Path

During 2016, the National Government through the Department of Economic Development announced its plan to create more than 50 000 jobs every year. The plan is known as the New Growth Path (NGP) and all government stakeholders need to play a role towards the realisation of the national government approach towards creation of decent jobs. This approach will assist in reducing high dependence on social security grants.

- Fighting Crime

The government has recently strengthened its crime-fighting programmes with more resources. These include equipment and vehicles, as well as more staff for the South African Police Force.

- Improved quality of basic Education

On the education front, the Department of Higher Education and Training announced that government would begin fulfilling its promise of providing free education to poor students at institutions of higher learning. These include universities, universities of technology and colleges of Further Education and Training (FET).

### **1.10.2 The South African Government Outcome Based Approach**

The Cabinet Lekgotla adopted 12 Outcomes Approach that strategically addresses the main strategic priorities for government and these strategic outcomes and outputs will be the strategic focus for of government going forward. As Local Government Sphere, Ngqushwa Local Municipality will put more emphasis in realising within its planning and implementation of IDP outputs (Output 7-Single Window of Coordination where local government is the entry point of coordination of government programmes) for Outcome 9 and that does not exclude other Outcomes, however the municipality can play a coordinating role in relation to other Outcomes.

### **1.10.3 New Growth Path**

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through. The Government is committed to forging such a consensus and leading the way by Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally. Developing a policy package to facilitate employment creation in these areas, above all through:

- A comprehensive drive to enhance both social equity and competitiveness;
- Systemic changes to mobilise domestic investment around activities that can create sustainable employment, and Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The New Growth Path must provide bold, imaginative and effective strategies to create the millions of new jobs South Africa needs. It must also lay out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and equitable economy and society over the medium term, in the context of sustained growth. The

strategy sets out critical markers for employment creation and growth and identifies where viable changes in the structure and character of production can generate a more inclusive and greener economy over the medium to long run. To that end, it combines Macro-economic and microeconomic interventions.

The shift to a new growth path will require the creative and collective efforts of all sections of South African society. It will require leadership and strong governance. It takes account of the new opportunities that are available to us, the strengths we have and the constraints we face. We will have to develop a collective national will and embark on joint action to change the character of the South African economy and ensure that the benefits are shared more equitably by all our people, particularly the poor. Achieving the New Growth Path requires that we address key trade-offs. Amongst other decisions, the government must prioritise its own efforts and resources more rigorously to support employment creation and equity; business must take on the challenge of investing in new areas, and business and labour together must work with the government to address inefficiencies and constraints across the economy and partner to create new decent work opportunities.

It is, therefore, imperative for Ngqushwa Local Municipality to outline our 5-year strategic development plan with the legislative framework as summarised above. Chapter 6 & Chapter 7 Objectives and Strategies, Projects of the IDP directly link the National Priorities, Provincial Priorities with Ngqushwa Local Municipality Strategic Priorities.

#### **1.10.4 National Spatial Development Perspective**

A number of initiatives have been launched over the past couple of years, one of which, the National Spatial Development Perspective (NSDP), was launched by the Presidency in May 2003. The NSDP describes the national spatial development vision of government and the normative principles that underpin this vision. The basic principles of the NSDP underpinning this vision are:

- Economic growth as a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment,



- Efforts to address the past and current social inequalities should focus on people, not places.

In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centers.

#### **1.10.5 Accelerated and Shared Growth Initiative for South Africa**

The following are the highlights that will be considered in the municipal IDP:

- Expanding women's access to economic opportunities.
- Improve budgeting in government, particularly at the micro level where they tend revenue and overestimate expenditure.
- Ensure improvement in expenditure management particularly in government capital investment.
- Address human capacity issues including skills development.

#### **1.11 THE PROVINCIAL DEVELOPMENT PLAN**

The NDP sets out nine key challenges, which are also addressed in detail in the Eastern Cape's Diagnostic Overview. These challenges are summarised below, with details relevant to the Eastern Cape:

- **Too few people work.** Unemployment statistics for the Eastern Cape – at 27.8 percent (narrow rate) and 43.5 percent (expanded rate including discouraged work-seekers) – fall below the national averages of 24.1 percent and 34 percent respectively. The situation is worse still in the economically depressed rural regions where the majority of the province's population resides – a stubborn inheritance from the colonial and apartheid era.
- **The standard of education for most black learners is poor.** The Eastern Cape has fared worse than other provinces, despite its early history of educational leadership. Over the period 2000 to 2011, about 22 percent of learners who





entered Grade 1 progressed to Grade 12 within the 12 - year period, with only 14 percent successfully completing the National Senior Certificate examination. Children from poor backgrounds perform significantly worse than their richer counterparts in reading, writing, and maths, and there is an uneven regional distribution of resources and infrastructure.

- Infrastructure is poorly located, under-maintained and insufficient to foster higher growth and spatial transformation. Despite efforts to address backlogs, infrastructure needs remain high, especially in rural regions. The road network is severely stressed and deteriorating. There is inadequate bulk infrastructure for services due to persistent underinvestment and poor maintenance. Energy transmission and distribution networks are under-maintained and undercapitalised. While the province's infrastructure budget has increased from R2.3 billion in 2005/06 to R6.2 billion in 2011/12 and Municipal Infrastructure Grant allocations to municipalities have also increased, these allocations are inadequate to address historical backlogs and needs.
- Spatial patterns exclude the poor from development. Development patterns still reflect the inherited structure of the colonial, apartheid and Bantustan economies. Historically unequal land ownership patterns persist and exacerbate stresses on the land. In the west of the province, freehold white-owned farms still make up the bulk of the province's agricultural output. In the centre are the border patchwork of quitrent, white-owned farms, marginal black-owned freehold farms, colonial and apartheid expropriations, and a trickle of restitutions. In the east, customary tenure continues, while land administration and planning in the former Ciskei and Transkei is still governed by old-order proclamations and ordinances dating back to 1921 – a situation exacerbated by patrilineal patterns of inheritance and leadership.
- The province's two metropolitan areas together account for 65.5 percent of gross value added (GVA) to the provincial economy (42.5 percent in Nelson Mandela Bay Municipality and 23.0 percent in Buffalo City Municipality ). A further seven municipalities contribute 17.6 percent

- The economy is overly and unsustainably resource intensive. A different challenge confronts the Eastern Cape – an over-reliance of the provincial economy on the motor manufacturing industry and small manufacturing sector. The province has the smallest primary sector in the country (both absolute and as a percentage of the provincial gross domestic product [GDP]), a relatively small agricultural sector, and the largest tertiary services sector of all the provinces. Despite its infrastructure backlogs, the province has smaller utilities and construction sectors than the country as a whole (as a percentage of GDP). The contribution of government services to the provincial economy is significantly higher than the national average.
- A widespread disease burden is compounded by a failing public health system. Low life expectancy and high infant and maternal mortality are clear indications of a dysfunctional health system, as well as a symptom of poverty and other adverse socioeconomic conditions. Other critical challenges faced by the health system in the province include instability in leadership at all levels; inadequate financial resources; poor financial management; a low-ethos of care among those who should care for the sick; and dilapidated health infrastructure. Some parts of the population seek healthcare either in the private health sector or outside the province. The rural nature of the Eastern Cape, with dispersed settlements, poor infrastructure, and inaccessibility in some areas, also contributes to the complexities of providing health care services.
- **Public services are uneven and often of poor quality.** The province's civil service is unprofessional and underperforms across all spheres. It is characterised by poor administration, a poor work ethic, and weak consequence management. Central coordination mechanisms are weak and systems of accountability for both political representatives and public officials need to be revisited and consolidated.
- Corruption is widespread. Corruption in the public service continues, including fruitless and wasteful expenditure and unaccounted-for funds. This is further exacerbated by low levels of the closure of cases referred to the province by the National Anti-Corruption Hotline. But systemic corruption in the private sector also

deserves attention. Tighter regulatory mechanisms led by the state serve as an important check on corrupt practices if they are diligently applied. Corruption must be tackled in the province as a societal matter, and there is a need to build a social compact and active programmes involving all key stakeholders in combating corruption. This calls for a holistic and integrated approach with a balanced mix of prevention, investigation, prosecution, Public Participation, education and awareness-raising, joint campaigns between government, civil society and the private sector, and societal shaming of corruption.

- South Africa remains a divided society. The landlessness of dispossessed black citizens in the province and across the rest of the country, the slow pace of land reform and other forms of redress, and the stresses of continued exclusion from the economy still pose significant hurdles to social stability and cohesion. The pace of movement towards the creation of a new society that the provincial primary sector GVA in 2010 was R4.3 billion. The next-smallest primary sector GVA was the Western Cape at R14.7 billion – more than three times larger.

#### **1.11.1 Provincial Growth and Development Plan**

The Provincial Growth and Development Plan underline the strategic key focus areas for intervention which are:

- The systematic eradication of poverty
- The transformation of the agrarian economy.
- Developing and diversifying our manufacturing and tourism sectors.
- Building our human resources capabilities.
- Infrastructure, including eradication of backlogs and the development of enabling infrastructure for economic growth and development.
- Public sector and institutional transformation in support of improved service delivery.

### **1.11.2 Eastern Cape Provincial Spatial Development Plan**

In order to plan and manage the spatial implementation of development in the Province, it is crucial that all core values of the province are seriously considered by all stakeholders. The core values are intended to achieve integration between stakeholders through better linkages between sectoral programmes, aligned infrastructure, social services, government spending, private sector investment and economic development. The core values or broad development codes for the Eastern Cape Province are recommended to be the following:-

- Environmental integrity and sustainability through achieving a balance between safeguarding natural resources, optimising the livelihoods of communities and developing a flourishing economy;
- Optimum use of existing resources including agriculture, forestry, renewable energy potential, already impacted land (brown field areas) minerals, bulk infrastructure, roads, transportation and social facilities;
- Reduced settlement sprawl and more compact formalised settlement through densification and diverse, mixed land uses;
- Economy and efficiency of development clustered along strategic transport routes;
- Integration, synergy, and linkages between urban and rural areas supported by appropriate infrastructure;
- Community-based spatial planning and enforceable land use management based on agreed sustainable community development codes with unified provincial legislation; and
- Correction of the historically distorted spatial patterns of settlement with optimum use of existing infrastructure, integration of residential and employment opportunities in close proximity to each other;
- Achieving integrated development at community level;
- Moving towards sustainable communities in our province will require adaptation of the way we plan and focus our resources to address seven major components of sustainability (Governance, transport and connectivity, appropriate and adequate services, environmental quality, a flourishing and diverse economy, a quality built



and natural environment and finally vibrant harmonious and inclusive communities).

### **1.11.3 Community Based Planning and Sustainable Livelihoods**

Ngqushwa Local municipality is engaged in community-based planning and promotion of sustainable livelihoods approach. All IDP projects to be implemented will be the results of the above approach.

### **1.11.4 Expanded Public Works Programme**

Programmes like the Expanded Public Works Programme (EPWP) are already being Implemented through the implementation of municipal projects: of the Ngqushwa Municipality IDP, the EPWP policy has been approved accordingly by the Council. Also, Ngqushwa Local Municipality through EPWP under LED has created 146 job opportunities for 2015/2016 financial year. The primary objective and strategy under LED activities are therefore to ensure robust local economic development by 2017 and beyond.

### **1.11.5 Community Development Workers Programmes**

Community Development Workers (CDWs) are a key programme of the South African government emanating from the president's 2003 state of the nation address aimed at bridging the gap between government and communities. CDWs are community-based resource persons who liaise, coordinate, inform, and assist communities with access to services provided by the government with the aim of learning how to progressively meet their needs, achieve goals, realise their aspirations and maintain their well-being. They are participatory change agents who work with and within communities in which they live, to foster the implementation of Government's programmes. The CDWs are accountable to Government and supported financially and functionally by a range of government spheres and departments.



## 1.12 MUNICIPAL POWERS AND FUNCTIONS

### 1.12.1 PART A

- A municipality has executive authority in respect of and has the right to administer-
  - (a) The local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and
  - (b) Any other matter assigned to it by national or provincial legislation.
- A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.
- A municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions.”

### 1.12.2 PART B

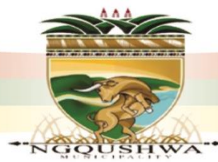
The following local government powers and functions are performed by Amathole District Municipality under the extent set out in section 155 (6)(a) and (7) of the Local Government :Municipal Structure Act :

- Air pollution
- Fire-fighting services
- Municipal airports
- Municipal health services
- Municipal public transport
- Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto Stormwater management systems in built up areas
- Water and sanitation services

### 1.12.3 PART C

The following local government powers and functions are performed by Ngqushwa Local Municipality under the extent set out in section 155(6) (a) and (7) of the Local Government: Municipal Structures Act:

- Beaches and amusement facilities
- Building regulations
- Billboards and the display of advertisements in public places
- Cemeteries, funeral parlours, and crematoria
- Child care facilities
- Control of public nuisances
- Control of undertakings that sell liquor to the public
- Facilities for the accommodation, care, and burial of animals
- Licensing of dogs
- Licensing and control of undertakings that sell food to the public
- Local amenities
- Local sport facilities
- Local Economic Development
- Municipal abattoirs
- Municipal parks and recreation
- Municipal internal roads
- Noise pollution
- Pounds
- Public places
- Refuse removal, refuse dumps and solid waste disposal
- Street trading
- Street lighting
- Municipal spatial planning
- Traffic and parking



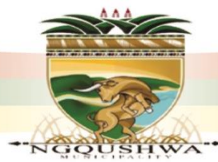
## **1.13 ENVISIONING NGQUSHWA 2057**

Since Independence in 1994, the South African government has adopted planning as a management tool to help ensure effective decision-making. South Africa's NDP for the period 2030, are at the heart of this strategy. This section provides a summary of the National Development Plan for 2030, the main objectives and broad strategies for the implementation of envisioning towards 2057.

### **1.13.1 Incorporating the role of the Republic of South Africa's National Development Plan 2030**

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. South Africa has made remarkable progress in the transition from apartheid to democracy. This transition has been peaceful despite South Africa's history of violent conflict and dispossession. In nearly every facet of life, advances are being made in building an inclusive society, rolling back the shadow of history and broadening opportunities for all. South Africa has been able to build the institutions necessary for a democratic and transformative state (NPD, 2030).

The Constitution enshrines a rights-based approach and envisions a prosperous, non-racial, non-sexist democracy that belongs to its entire people. Healing the wounds of the past and redressing the inequities caused by centuries of racial exclusion are constitutional imperatives. Access to services has been broadened, the economy has been stabilised and a non-racial society has begun to emerge. Millions who were previously excluded have access to education, water, electricity, health care, housing and social security. About 5 million more people in South Africa are working today than in 1994, the poverty rate has declined and average incomes have grown steadily in real terms. Twenty-three years into democracy, South Africa, however, remains a highly unequal society where too many people live in poverty and too few work. The quality of school education for most black learners is poor. The apartheid spatial divide continues



to dominate the landscape. A large proportion of young people feels that the odds are stacked against them. And the legacy of apartheid continues to determine the life opportunities for the vast majority. These immense challenges can only be addressed through a step change in the country's performance. To accelerate progress, deepen democracy and build a more inclusive society, South Africa must translate political emancipation into economic wellbeing for all. It is up to all South Africans to fix the future, starting today. The NDP 2030 plan envisions a South Africa where everyone feels free yet bounded to others; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work. Realising such a society do however require a transformation of the economy and focused efforts to build the country's capabilities. To eliminate poverty and reduce inequality, the economy must grow faster and in ways that benefit all South Africans. In particular, young people deserve better educational and economic opportunities, and focused efforts are required to eliminate gender inequality. Promoting gender equality on the after hand and greater opportunities for young people are integrated themes that run throughout the NDP 2030 document.

President Jacob Zuma appointed the National Planning Commission in May 2010 to draft a vision and national development plan. The Commission had an advisory body consisting of 26 people drawn largely from outside government, chosen for their expertise in key areas. The Commission's Diagnostic Report, released in June 2011, set out South Africa's achievements and shortcomings since 1994. It identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

- Too few people work
- The quality of school education for black people is poor
- Infrastructure is poorly located, inadequate and under-maintained
- Spatial divides hobble inclusive development
- The economy is unsustainably resource intensive
- The public health system cannot meet demand or sustain quality
- Public services are uneven and often of poor quality
- Corruption levels are high



- South Africa remains a divided society.

South Africans from all walks of life welcomed the diagnostic as a frank, constructive assessment. This led to the development of the draft National Plan, released in November 2011. Building on the diagnostic, the plan added four thematic areas: rural economy, social protection, regional and world affairs, and community safety. The Commission consulted widely on the draft plan. Their public forums drew in thousands of people; they met with parliament, the judiciary, national departments, provincial governments, development finance institutions, state-owned entities and local government formations; and they held talks with unions, business, religious leaders and non-profit organisations. South Africans have broadly supported the draft plan, proposing modifications and making suggestions to implement it effectively. Their input has informed the NDP 2030.

National development has never been a linear process, nor can a development plan proceed in a straight line. Accordingly, they proposed a multidimensional framework to bring about a virtuous cycle of development, with progress in one area supporting advances in others. How will this work in practice? South Africa's principal challenge is to roll back poverty and inequality. Raising living standards to the minimum level proposed in the plan do involve a combination of increasing employment, higher incomes through productivity growth, a social wage and good-quality public services. All of these challenges were interlinked. Improved education, for example, will lead to higher employment and earnings, while more rapid economic growth will broaden opportunities for all and generate the resources required to improve education. The graphic below was proposed and demonstrates the close link between capabilities, opportunities and employment on social and living conditions. It indicates how leadership, an active citizens and effective government can help drive development in a socially cohesive environment.

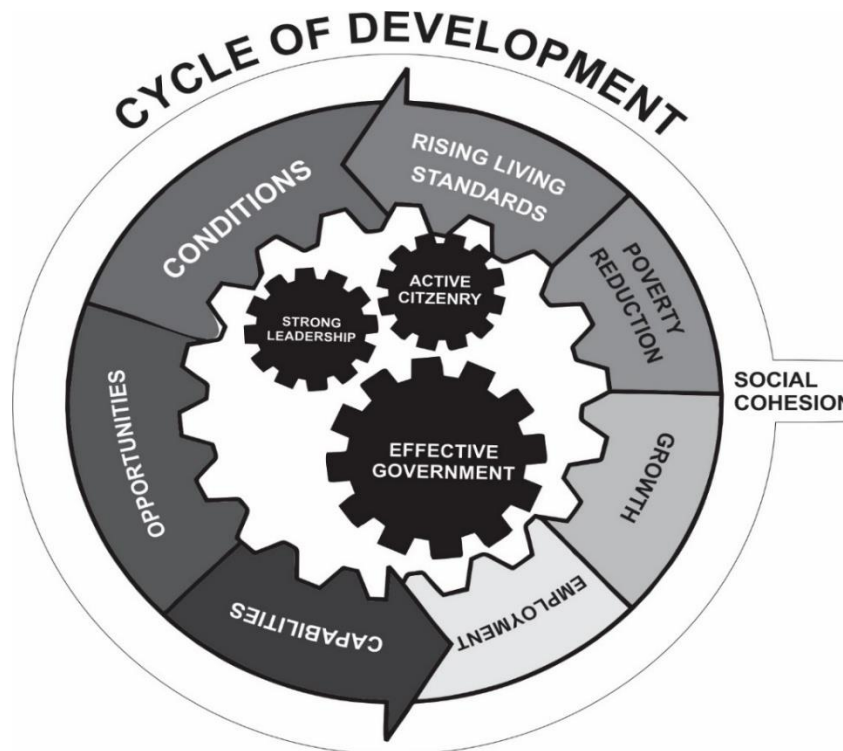


Figure : Cycle of development in South Africa towards 2030

Source: NDP 2030

The NDP 2030 focuses on the critical capabilities needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence: failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities. Progress over the next two decades means doing things differently. Given the complexity of national development, the NDP 2030 sets out six interlinked priorities:

- Uniting all South Africans around a common programme to achieve prosperity and equity;
- Promoting active citizens to strengthen development, democracy and accountability;
- Bringing about faster economic growth, higher investment and greater labour absorption;
- Focusing on key capabilities of people and the state;
- Building a capable and developmental state;





- Encouraging strong leadership throughout society to work together to solve problems.

The National Development Plan 2030 also provided a broad strategic framework to guide key choices and actions. Its success will depend on all South Africans taking responsibility for the plan, led by the President and Cabinet. Following publication of the plan, the Commission focused on:

- Mobilising society to support the plan, and exploring a social compact to reduce poverty and inequality through investment and employment;
- Conducting research on critical issues affecting long-term development;
- Advising government and social partners on implementing the plan;
- Working with relevant state agencies to report on the progress of the objectives.

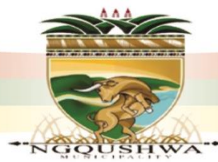
#### **1.13.2 Growth and jobs, education and skills, and a capable developmental state.**

The Commission believed that to build a better South Africa, we must start today. While the achievement of the objectives of the National Development Plan 2030 required progress on a broad front, three priorities stood out:

- Raising employment through faster economic growth;
- Improving the quality of education, skills development and innovation;
- Building the capability of the state to play a developmental, transformative role.

A sustainable increase in employment will, however, require a faster-growing economy and the removal of structural impediments, such as poor-quality education or spatial settlement patterns that exclude the majority. These were seen as essential to achieving higher rates of investment and competitiveness, and expanding production and exports. Business, labour, communities and government will need to work together to achieve faster economic growth.

Social cohesion, on the other hand, needs to anchor the strategy. If South Africa registers progress in deracialising ownership and control of the economy without reducing poverty



and inequality, transformation will be superficial. Similarly, if poverty and inequality are reduced without demonstrably changed ownership patterns, the country's progress will be turbulent and tenuous. The National Development Plan draws extensively on the notion of capabilities. Key capabilities that emerge from development literature include:

- Political freedoms and human rights;
- Social opportunities arising from education, health care, public transport and other public services;
- Social security and safety nets;
- An open society, transparency, disclosures and a culture of accountability;
- Economic facilities, work, consumption, exchange, investment and production.

Alongside hard work and effort, capabilities and the opportunities that flow from development enable individuals to live the lives to which they aspire. A developmental state builds the capabilities of people to improve their own lives, while intervening to correct historical inequalities. Neither government nor the market can develop the necessary capabilities on their own. Citizens have the right to expect government to deliver certain basic services, and to hold leaders accountable for their actions. They also have responsibilities to other citizens, including mutual respect, tolerance and abiding by the laws of the land. Leaders throughout society have to balance the power they hold with responsibility, including listening to and tolerating different and diverse views, promoting social cohesion and working together to resolve problems. Making the plan work will require a complex interplay of actors and actions, and progress in any one area is almost always dependent on progress in another. The plan does provide a common focus for action across all sectors and sections of South African society.

To accelerate development, South Africa needs the active support of all citizens, leadership in all sectors that puts the country's collective interests ahead of narrow, short-term goals, and radically improved government performance. In some instances, a policy change may be necessary, but in most areas it is about getting the basics right, implementing government programmes, holding people accountable for their actions and finding innovative solutions to complex challenges .

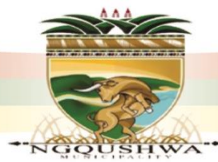
### **1.13.3 Direct and immediate measures to attack poverty**

The NDP 2030 presented a long-term strategy to increase employment and broaden opportunities through education, vocational training and work experience, public employment programmes, health and nutrition, public transport and access to information. While there are “quick wins” to be achieved in each of these areas, the strategies will, however, take time to have a large-scale effect on poverty. To reduce the acute effects of poverty on millions of South Africans over the short term, the plan proposes to:

- Introduce active labour market policies and incentives to grow employment, particularly for young people and in sectors employing relatively low-skilled people;
- Expand public employment programmes to 1 million participants by 2015 and 2 million by 2020. As the number of formal- and informal-sector jobs expands, public work programmes can be scaled down;
- Strengthen primary health-care services and broaden district-based health programmes, such as the community health worker and midwife programmes, and health education;
- Expand welfare services and public employment schemes, enabling the state to service and support poor communities, particularly those with high levels of crime and violence;
- Introduce a nutrition programme for pregnant women and young children and extend early childhood development services for children under five;
- Improve the quality of education in underperforming schools and further education and training colleges;
- Promote mixed housing strategies and more compact urban development to help people access public spaces and facilities, state agencies, and work and business opportunities;
- Invest in public transport, which will benefit low-income households by facilitating mobility.

### **1.13.4 Demographic Trends**

South Africa's development is affected by what happens in the region and the world. Success does, however, depend on the country's understanding and response to such



developments. In addition to a detailed scan of demographic projections, the NDP 2030 discussed five notable trends: global economic shifts, technology, globalisation, climate change and African economic growth.

What will South Africa look like in 2030? The country has reached a stage in its demographic transition where birth rates are falling and the population is stabilising (NDP, 2030). This transition has profound implications for population structure, the rate of growth of the labour force, and demand for services such as education and health. During 2012 the labour force (those aged 15 to 64) made up 64 percent of the population, with the proportion of children and the elderly comprising smaller shares. Internationally, demographic profiles such as these are often associated with rising incomes, faster productivity growth, higher savings and rising living standards. Alternatively, they can lead to a frustrating and destabilising environment where young people cannot get work, contributing to violence, crime, alcohol abuse and other social ills. The determinant of success is whether a country can harness the advantage of having a large number of young people who are able and willing to work. To do so means providing those with education and skills, and helping school leavers find work that is stimulating and through which they can fulfil their aspirations.

Birth rates for white South Africans began to fall in the 1950s and 1960s, while birth rates for Africans began falling in the late 1970s and early 1980s. In both cases, rising urbanisation and better educational standards were decisive factors. During 2012, South Africa's population was growing at 1 percent a year and by 2030, it is projected to grow by 0.5 percent a year.

#### **1.13.5 NDP 2030 observations included the following:**

- The proportion of South Africans living in rural areas has fallen by about 10 percentage points since 1994. During 2012, about 60 percent of the population lives in urban areas. In line with global trends, the movement of people from the countryside to the cities is expected to continue, and by 2030 about 70 percent of the population will live in urban areas. Gauteng and the cities of eThekweni and Cape Town are the fastest-growing city-regions, with implications for planning and delivery of basic services;



- Immigration was projected to add between 0.1 percent and 0.2 percent a year to the rate of population growth in the period to 2030;
- HIV/AIDS has had a profound effect on the population, raising overall deaths significantly since 2000 and reducing the proportion of women of child-bearing age. There are signs that the country has begun to turn the corner in response to an effective education and treatment campaign. The HIV infection rate has stabilised at about 10 percent. New infections among young people have fallen and life expectancy is rising. Despite these gains, there will still be a sizeable number of AIDS orphans and children requiring concerted support from the state and communities for decades to come.

To maximise the benefits of this “demographic dividend” the country requires better nutrition and health care, improved educational standards, increased access to further and higher education, easier entry into the labour market and greater labour mobility (the ability to move to where jobs are on offer). All of these factors need to be taken into account in national planning.

According to the NDP 2030, South Africa has an urbanising, youthful population. This does, however, present an opportunity to boost economic growth, increase employment and reduce poverty. The Commission recognised that young people bear the brunt of unemployment, adopted a “youth lens” in preparing its proposals, which include:

- A nutrition intervention for pregnant women and young children;
- Universal access to two years of early childhood development;
- Improve the school system, including increasing the number of students achieving above 50 percent in literacy and mathematics, increasing learner retention rates to 90 percent and bolstering teacher training;
- Strengthen youth service programmes and introduce new, community-based programmes to offer young people life-skills training, entrepreneurship training and opportunities to participate in community development programmes;
- Strengthen and expand the number of FET colleges to increase the participation rate to 25 percent;
- Increase the graduation rate of FET colleges to 75 percent;



- Provide full funding assistance covering tuition, books, accommodation and living allowance to students from poor families;
- Develop community safety centres to prevent crime and include youth in these initiatives;
- A tax incentive to employers to reduce the initial cost of hiring young labour-market entrants;
- A subsidy to the placement sector to identify, prepare and place matric graduates into work. The subsidy will be paid upon successful placement;
- Expand learnerships and make training vouchers directly available to job seekers;
- A formalised graduate recruitment scheme for the public service to attract highly skilled people;
- Expand the role of state-owned enterprises in training artisans and technical professionals.

#### **1.13.6 Policy in a dynamic global environment**

International and regional developments affect South Africa in complex ways. NDP, 2030's view is that on balance, global trends can have positive implications for South Africa's development, notwithstanding several notable risks. Understanding and responding appropriately to complex global challenges is the first task of planning. A changing global economy long-term shift in global trade and investment are reshaping the world economy and international politics (NDP, 2030). Chief among these developments is the emergence of rapidly growing economies, particularly China, India and Brazil. After nearly three centuries of divergence, inequality between nations is decreasing. Urbanisation and industrialisation in China and India are likely to keep demand for natural resources relatively high for a decade or more.

The emergence of more consumers in developing countries will broaden opportunities for all economies. In decades to come, as emerging economies increase their share of world trade and investment, the relative decline in the economic weight of the United States, Europe and Japan will have concomitant effects on their political and military influence. This could lead to a reorganisation of the international diplomatic and governance architecture, reflecting new centres of influence. South Africa can benefit





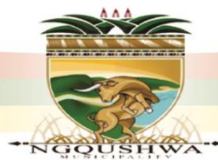
from rapid growth in developing countries that leads to increased demand for commodities and expanding consumer markets. At the same time, these trends pose challenges for middle-income countries as a result of greater competition in manufacturing and certain information technology-enabled services.

The rise of emerging markets also increases international competition, placing downward pressure on the wages of low-skilled workers in tradable sectors. Since 2008/2009, South Africa's exports to advanced economies have slowed in response to lower demand. This decline has been offset by increased demand from Asia and higher prices for commodities. While South Africa has maintained a reasonably sound trade balance, owing largely to high commodity prices, it is of concern that high value-added and labour-intensive exports are slowing. In the medium term, South Africa has to respond to this trend by bolstering competitiveness and investment in high value-added industries and increasing the volume of mineral exports.

Over the longer term, South Africa has to do more to enhance competitiveness in areas of comparative advantage that can draw more people into work (NDP, 2030). By improving the skills base and increasing competitiveness, the economy can diversify, offsetting the distorting effects of elevated commodity prices on the rand. It is likely that world economic growth over the next decade will be lower than it was during the previous one. This will require greater policy focus, effective implementation of industrial policies and improved skills development.

#### **1.14 ISSUES OF VISION 2057 FOR NGQUSHWA**

In formulating this Vision, the process called for identification and careful analysis of our problems as a region. These issues were addressed by the Vision 2057 formulation process through opinion surveys, futures research, regional consultations and dialogue. The major elements of our issues identified are the following: Inequalities and social welfare; Peace and political stability; Human resources, institutional- and capacity-building; Local economic developmental issues; Population, health and development; Natural resources and environment; Knowledge, information and technology; and factors of the external environment. The vision formulation process was based on careful analyses and reviews of Ngqushwa's past and current experience in development, given



its natural, material and financial resources, and its cultural, regional and its place in the national context.

## 1.15 THE NGQUSHWA VISION 2057

The development issues listed above were carefully analysed and, based on research findings and an analysis of the aspirations expressed by the people, in doing so an overall long-term Vision has been formulated. The appropriate scenario selected was derived from the broad objectives of this Vision, and has served to guide identification of strategic ideas, which would form the basis for development planning for Ngqushwa towards 2057.

TABLE 1.4: NGQUSHWA VISION 2057

Ngqushwa in 2057 will be a cultural community of neighborhoods, within two vibrant prosperous and industrialised towns, developed by our own human capital, where we choose to live, work and play in harmony.

### 1.15.1 Long-term Mission

It is our mission to develop Ngqushwa's quality of life for current and future generations by serving the public interests through leadership, innovation, foresight, sustainability and a focus on community priorities and strengths.

### 1.15.2 Long-term Values

Ngqushwa's long-term values will form the foundation for Ngqushwa Local Municipality's decision making framework and relationships with its stakeholders, employees and customers. Ngqushwa Local Municipality will strive to be recognised for its excellence in governance and employee, citizen and customer relations by living its values. As Ngqushwa Local Municipality, we will:



- Treat People Fairly,
- Build Organisational and Community Capacity,
- Inform, Involve and Inspire,
- Innovate and through Collective Foresight, Sustain community Quality of Life.

## **1.16 WHAT WE HOPE TO ACHIEVE**

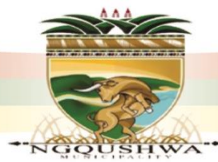
The following terms, as used in the long term Vision, are elaborated upon; abundant prosperity; interpersonal harmony; peace and political stability.

### **1.16.1 Prosperity**

It pertains to existence of a condition of sustained economic growth that places Ngqushwa in an 'income' category of regions, eliminates duality in the economy and ensures equity in the pattern of economic growth. Ngqushwa workers earn a decent wage that allows them to live a life well above the poverty level; and for the disadvantaged, the social security support guarantees a decent quality of life. All Ngqushwa, who are able and willing, have the opportunity of being gainfully employed, or have access to productive resources. There is equity in income distribution across all and the disparity between rural and town living, in terms of social and economic conditions, is at its lowest. Ngqushwa are healthy, empowered, innovative, and confident and determined to succeed; everyone has a role to play, and the playing field is level, unhindered by gender, age, ethnicity, religious affiliation or political inclination.

### **1.16.2 Industrialised Region**

As an industrialised region, Ngqushwa income per capita base has to grow to be equivalent to that of the other income regions, resulting in a change in status from a low-income region to an income region. Manufacturing and the service sector constitute about 80 percent of the region's gross domestic product. The region largely exports processed goods, which account for not less than 70 percent of total exports locally and internationally. This has given rise to a significant reduction in the import of raw material. Ngqushwa has an established network of modern infrastructures such as rail, road and



telecommunication facilities. The region has a critical mass of knowledge workers and the contribution of the small and medium-size enterprises to GDP is not less than 30 percent. Unemployment has been significantly reduced to less than 8 percent of the work force.

### **1.16.3 Harmony**

A community of Ngqushwa people living and working together in harmony, and sharing common values and aspirations as a region, while enjoying the fruits of unity in diversity. Men and women marry (as provided for in the South African Constitution) and enjoy marital love and stability of union, and families extend compassion and love to those who are widowed or in one or the other form of marital disharmony.

The family is upheld as sacred and the most fundamental institution in the society. Parents (mothers, fathers, guardians) are well aware of and fulfil their responsibilities to their children, while children remain disciplined and have an inalienable right to survival, development, protection and participation in society. Families are available and willing to accommodate orphans and are assisted, where necessary, by the government/community through a well-managed public orphanage programme. Such a programme allows these disadvantaged children to be supported to live a meaningful life which prepares them adequately for the future. People living with disabilities and other vulnerable persons are well integrated into the mainstream of society. They have equal rights under the law and are facilitated to participate actively in the economy and society.

Ngqushwa society respects and upholds the right of every person to enjoy, practice, profess, maintain and promote his/her culture, language, tradition or religion in accordance with South African Constitution. Although Ngqushwa remains a secular society, Christianity is the most popular religion, which holds promise for the moral upbringing of our children, and shapes the moral basis of our interpersonal dynamics, harmony and peaceful co-existence. Above all, the fear of God guides decision-making in Ngqushwa and provides the driving force for the maintenance of a just and morally upright society.

#### **1.16.4 Peace and political stability**

There exists in Ngqushwa true freedom of expression, speech and association, compatible with the letter and spirit of the Constitution of South Africa; the political environment is conducive to voluntary formation or dissolution of political parties; and every individual is recognised as an important element in the system, which provides level playing field for all players. The people of Ngqushwa make their own decisions and do so at their own level in terms of political, cultural, economic and social development matters; they set their own priorities, plan, implement and monitor their development programmes.

Ngqushwa creates an enabling environment in terms of sustainable social and economic advancement which could be defined as a “condition free from all possible impediments to actualising development”. It embodies peace, security, democratic politics, and availability of resources, appropriate legal instruments, cooperative private sector, and a supportive public service. In essence, we consolidate and maintain peace and political stability. All people in Ngqushwa enjoy a safe environment (to a great extent free from violence and crime), share and care for those in need and are prepared to face and respond to any man-made and or natural calamities. Ngqushwa is a fair, gender responsive, caring and committed region in which all citizens are able to realise their full potential in a safe and decent living environment.

The democratic principle of popular participation is well entrenched in the Ngqushwa society; the political parties are active; the civil society is vibrant, and a mature, investigative and free media is in operation. There are independent ‘watch-dog’ institutions that ensure the implementation of anti-corruption programmes, and monitor activities of government, the private sector and civil society organisations and agencies. The Ngqushwa Local Municipality is there to promote social welfare, social profitability and public interest; and the action of officials are being constantly checked to see if they are in line with these cherished social values. Public officials maintain ethical standards with regard to trust, neutrality, probity, professional honour, confidentiality and fairness. There is also constant checking to determine continued adherence to these values.



Ngqushwa thrives on an environment of regional and national peace and security. Development cooperation with all regions and municipalities is strong, and is based largely on trade and mutual exchange of opportunities; foreign development aid is sought. Ngqushwa is part and parcel of organised regional structures, in which it can contribute to the political, economic and social wellbeing of the people.

### **1.17 OBJECTIVES OF VISION 2057**

The major objectives of this Vision are to:

- Transform Ngqushwa into an industrialised region of equal opportunities, which could be regionally, and nationally competitive, realising its maximum growth potential on a sustainable basis, with improved quality of life for all in Ngqushwa.
- Ensure that Ngqushwa is a fair, gender responsive, caring and a committed region, in which all citizens are able to realise their full potential, in a safe and decent living environment.
- Sustain and consolidate a legitimate, effective and democratic political system (under the South African Constitution), and an equitable, tolerant and free society, that is characterised by sustainable and equitable development of an effective institution, which guarantees peace and political stability.
- Develop a diversified, competent, and highly productive human resources institution, fully utilising human potential, and achieving efficient and effective delivery of customer-focused services which are competitive.
- Ensure a healthy, food-secured and breastfeeding region, in which all preventable, infectious and parasitic diseases are under secure control, and in which people enjoy a high standard of living, with access to quality education, health and other vital services, in an atmosphere of sustainable population growth and development.
- Ensure the development of Ngqushwa's 'natural capital' and its sustainable utilisation, for the benefit of the region's social, economic and ecological well-being.



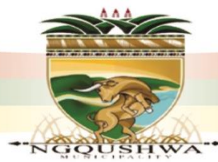


- Accomplish the transformation of Ngqushwa into a knowledge-based, competitive, industrialised and eco-friendly region, with sustainable economic growth and a high quality of life.
- Achieve stability, full regional integration and national relations; the transformation from an aid-recipient region to that of a provider of development assistance.

### **1.18 BROAD STRATEGIES FOR VISION 2057**

In order to realise the objectives of Vision 2057, the following strategic elements should be considered in the long-term perspective plan for Ngqushwa:

- Develop a local economy that is sustainable, efficient, flexible and competitive;
- Operating a dynamic and accessible financial sector;
- Achieving full and gainful employment;
- Providing excellent, affordable health care for all;
- Mainstreaming HIV/AIDS into development policies, plans and programmes;
- Creating access to abundant, hygienic and healthy food, based on a policy of food security;
- Providing full and appropriate education at all levels;
- Leveraging knowledge and technology for the benefit of the people;
- Promoting interpersonal harmony among all people;
- Operating a morally upright and tolerant society that is proud of its diversity;
- Ensuring an atmosphere of peace, security and hope for a better life for all;
- Maintaining stable, productive and diverse ecosystems managed for long-term sustainability;
- Establishing and sustaining business standards of competence, productivity, ethical behaviour and high trust;
- Upholding human rights and ensuring justice, equity and equality in the fullest sense for all, regardless of gender, age, religion, ethnicity, ability or political affiliation;
- Maintaining a low-level, responsive bureaucracy;
- Encouraging a land- and natural resource policy that ensures fair access by all to the means of production;



- Encouraging and operating a fiscal policy that distributes wealth fairly, and encourages production, employment and development of wealth in a stable and sustainable economic climate;
- Operating a responsive local government that is truly representative to the people, and able to adhere to transparent, accountable systems of governance, proactively;
- Achieving collaboration between public, private and civil society organisations, in policy formulation, programming and implementation;
- Maintaining sound policies that ensure effective cooperation, favourable trade relations, peace and security.

### **1.19 MILESTONES**

The major challenge of our long-term Vision is for all of us (local government, private sector, civil society as well as individuals) to make a determined effort to concentrate on resolving, not just addressing, our very important regional problems. As we march forward in implementing the strategies of this Vision, we should be prepared to ask ourselves, from time to time if, indeed, we are on course. The programmes of Vision 2057 have specific targets and, periodically, through our National Development Plan 2030 and related programme instruments, we will evaluate the Vision programme performance.

Milestones are interval targets or indicators and are very useful for monitoring progress towards the achievement of a desired objective. Following the approval of Vision 2057, it is planned that a regional strategy implementation workshop will be convened to reach an agreement on the way forward in translating the objectives of the Vision into reality. This will set the stage for the formulation of an Action Plan for Vision implementation, including the determination of programme targets.

To this end, milestones are provided in this Vision document, which are indicated as 'targets', to give an overall impression of where we are going and how the assumed future region would develop step by step. It is, however, difficult to construct quantitative indicators for some of the objectives of the Vision, such as peace and political stability; good governance; popular participation; knowledge-based society; etc. In such cases, as



illustrated with aspects of Information Technology and Natural Resources/ Environment, simple descriptions are provided to indicate the anticipated direction of progress. The scenario box for each Sub-Vision provides information on ‘Where we want to be in 2057’ and these items should also be read as targets. At a later stage, when programming for Vision implementation, each objective will have corresponding programme targets, including interval targets, apart from the empirical indicators shown in this Vision document.

By the year 2057, Ngqushwa in 2057 will be a community of neighbourhoods, within two vibrant prosperous and industrialised towns, developed by our own human resources, where people choose to live, work and play in peace, harmony and political stability.

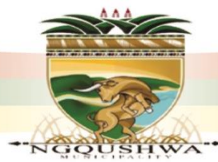
## **1.20 DEVELOPMENTAL LOCAL GOVERNMENT AND THE LOCAL GOVERNMENT TURNAROUND STRATEGY**

### **1.20.1 INTRODUCTION**

One of the main elements of the developmental state is that of development planning. In South Africa context, this is seen as a form of technical or rational planning, following in the footsteps of most of the developmental states. The July 2009 Medium Term Strategic Framework includes mention of the need to improve the capacity of the state, the need for medium-and long-term planning, and also makes liberal use of the popular concepts of ‘accountability’, ‘transparency’ and ‘effectiveness’, but provides no details on how these will be achieved.

Pro-active planning, as opposed to ad hoc, crisis management, is indeed an important element of promoting sustainable development. This requires a longer-term view of problems of the future, as we unknowingly shift problems from one part of the system to another. We also need to start addressing the structural causes of non-sustainability instead of dealing with the symptoms.

Sustainable development, therefore, is about change and transformation at various levels, including changes in municipalities, urban form, having to adapt to change, management and the need to change our behaviour in relation to consumption, planning



and land development. Planning and policy-making processes are crucial to this change in South Africa but must take note of complexity thinking. For Ngqushwa a well-respected, 9-step transformation process requires:

- the creation of a sense of urgency;
- The establishing of a Program Management Office (PMO);
- building a powerful guiding coalition or team;
- getting the vision right;
- communicating the vision for buy-in and teaching new behaviour by example of the guiding coalition;
- empowering others to act on our visions;
- planning for and creating short-term wins;
- consolidating and creating more improvements; and
- Institutionalising these new approaches as part of Ngqushwa's turnaround culture.

These elements are very important for Ngqushwa transformation processes, but the vision and guiding coalition should be shared by the Ngqushwa community, civil society organisations, and the business sector, as well as the various elements of Ngqushwa Local Municipality .

The South African Government's strategy to date has been to provide a range of social services, including social security. However, because of the uneven capability of the state, South Africa has excelled at doing the things that are easier, such as paying grants and providing water and electricity and faltered at doing the difficult things, such as improving education, promoting employment, and building houses close to jobs. A capable state, in partnership with communities, must build on the platform of social services and social security and contribute towards a more balanced approach by developing the capabilities of people. Developing and upgrading capabilities to enable sustainable and inclusive development requires a new approach and a new mind-set.

Indeed, most aspects of the proposed long-term Vision for Ngqushwa towards 2057 are aimed directly at improving the life chances of today's children and youth. A region with a future orientation is a region that develops the capabilities of its youth. Whether they

are still in school or not, Ngqushwa's strategy must improve the life chances of young people. This should include creating jobs and livelihoods; expanding infrastructure; transitioning to a low-carbon economy; transforming urban and rural spaces; providing quality education, training and health care; building a capable state; fighting corruption; and uniting the people of Ngqushwa.

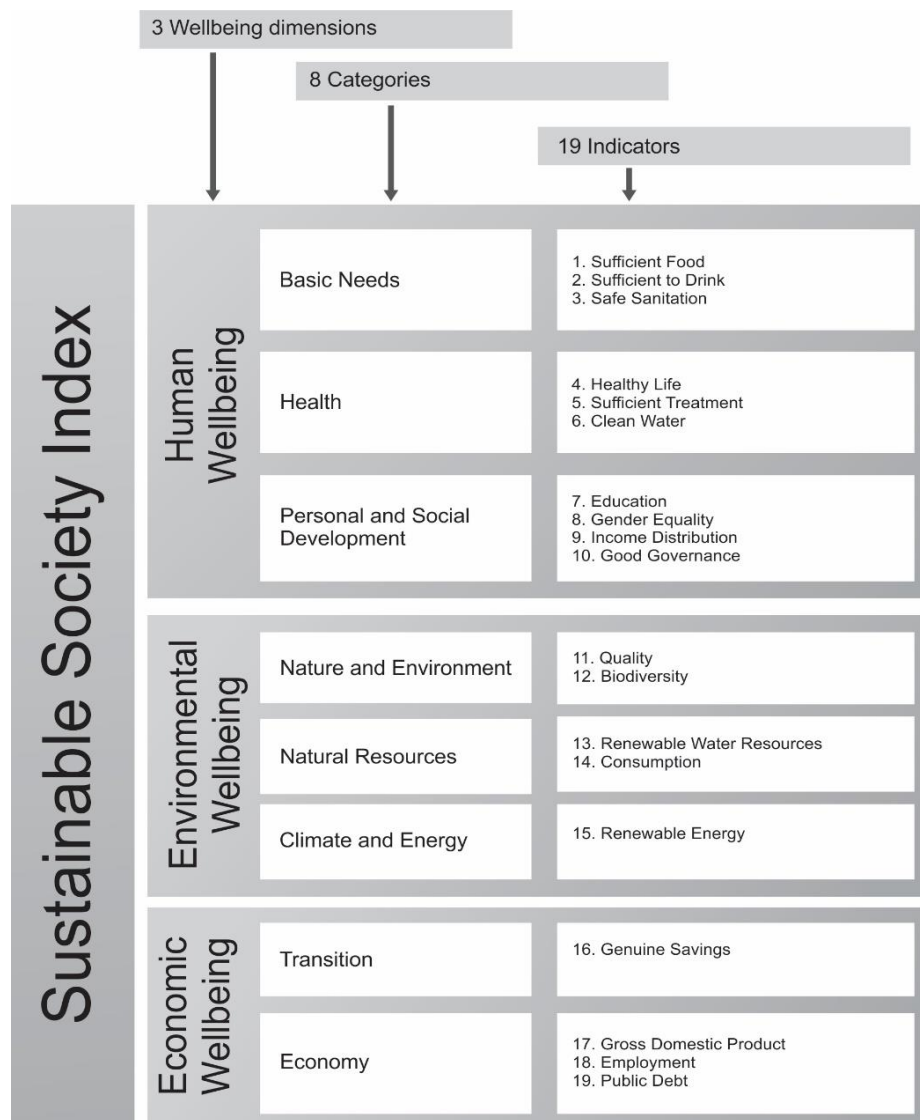


Figure 1.5: Framework for the Sustainable Society Index

Leadership is required to win broad agreement for our turnaround strategy, to implement it, and to make sacrifices for a better future. A capable, efficient, and fair Ngqushwa Local Municipality is also needed to support the effort. Partnerships, based on mutual trust are therefore vital. Unless Ngqushwa's work together, sacrificing short-term gain for longer-term prosperity, no single part of Ngqushwa's society can achieve its objectives.

A vital stage in the development of strategies is for Ngqushwa Local Municipality to identify strategic Turnaround issues. Together these strategic Turnaround issues create the opportunities between today and the preferred future and become the foundation for forming appropriate strategies, programmes, action plans, and projects for Ngqushwa towards 2022.

In line with legislation, specifically, the Municipal Systems Act (2000) requires that each elected Council should develop and adopt Development Plans in its term of office and should include its developmental priorities, key performance indicators and targets, and operational strategies.

The actual Strategic Planning Framework for Ngqushwa Local Municipality is detailed in the figure below:

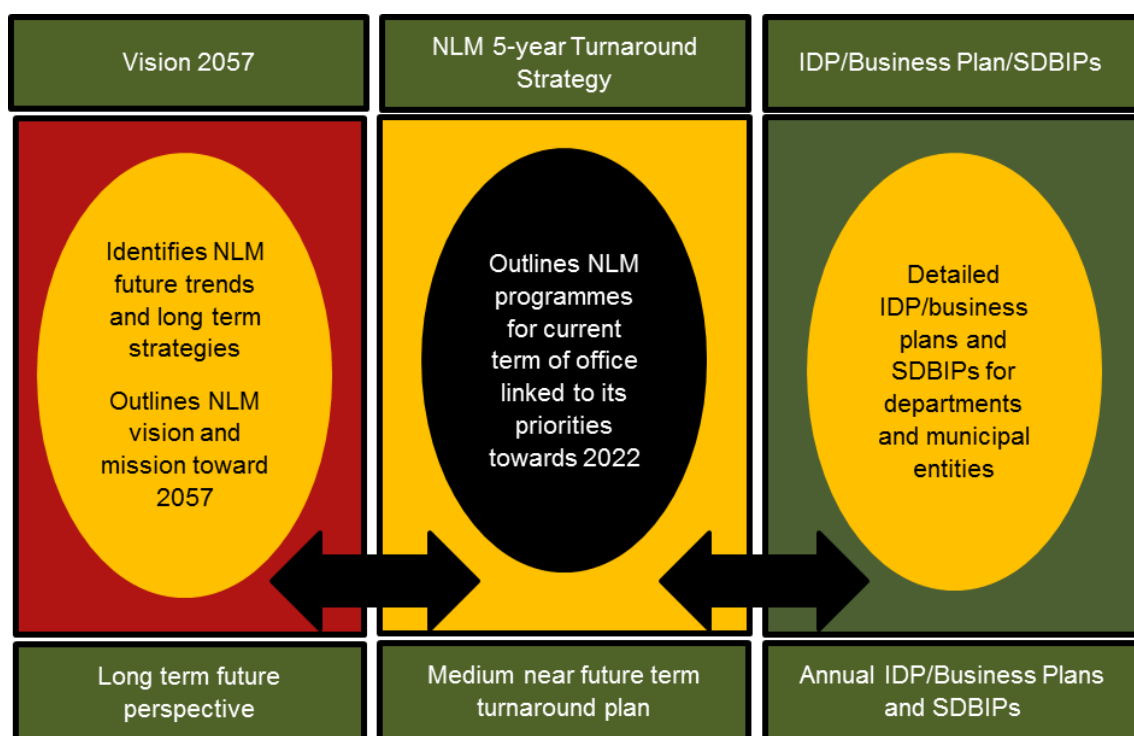


Figure : Linking it all together for Ngqushwa Local Municipality

Ngqushwa Local Municipality's long term 2057 Strategy identifies various key outcomes, and a number of related outputs, that intend to realise the long-term vision. Ngqushwa Local Municipality's five-year turnaround strategy then translates these desired outcomes into medium-term programmes for implementation in that term of office. On an annual basis, the IDP is then reviewed and business plans are developed, detailing short-term



operational plans. These are linked to annual budgets for Ngqushwa Local municipality annual Service Delivery and Budget Implementation Plans (SDBIP).

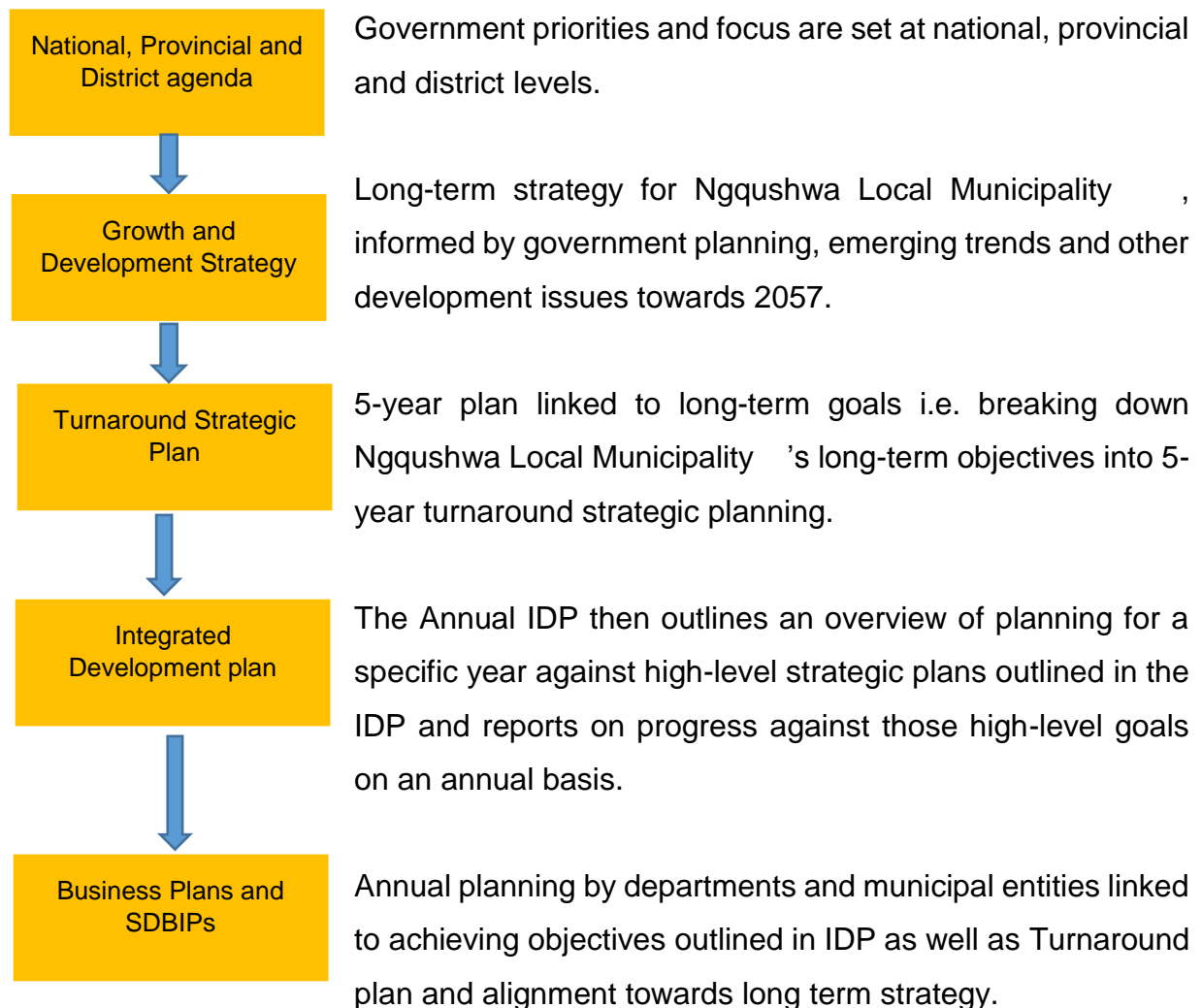


Figure : Service Delivery and Budget Implementation Plans (SDBIP)

As required by the Municipal Systems Act, Ngqushwa Local Municipality should revise its IDP on an annual basis, to ensure that it remains relevant to its specific operating environment including political, socio-economic or other changes that may occur. This annual review also enables Ngqushwa Local Municipality to update its IDP, based on its overall performance.

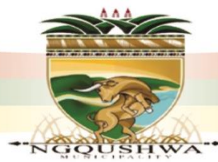
The Roadmaps process allows Ngqushwa Local Municipality to review and finalise its priorities for the decades ahead as well as the remainder of the current term of office, building on the flagship projects detailed in previous IDPs. These priorities include:

- Financial Sustainability and Resilience;
- Development of Sustainable Agriculture ;
- Sustainable Human Settlements;
- SME and Entrepreneurial Support;
- Engaged Active Citizens;
- Resource Sustainability;
- Smart Town Development;
- Investment Attraction, Retention and Expansion;
- Green Economy; and a
- Safer Ngqushwa Local Municipality .

In order to ensure efficient planning, Ngqushwa Local Municipality , as part of the 2017 – 2022 review, should commit a budget investment over a 5-year period. Ngqushwa Local Municipality also for the first time has a 5-year turnaround plan to further enhance planning in Ngqushwa Local Municipality . Ngqushwa Local Municipality is committed to the empowerment of its residents. Therefore, all revised plans are communicated with its communities through a thorough consultation process.

In terms of Section 40(1) of the Constitution of the Republic of South Africa, 1996, government is constituted into national, provincial and local spheres, which are distinctive, interdependent and interrelated. Local government is governed by the rules and principles laid down in the 1996 Constitution, with a mandate to provide services, meet the basic needs of the poor and promote economic and social development. In terms of Section 152 of the Constitution, the objects of local government are to provide democratic and accountable government for local communities; to ensure the provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment and to encourage the involvement of communities and community organisations in the matters of local government.

It is argued that Local government is therefore regarded as the government closest to communities and should it fail, South Africa faces risks in meeting its developmental mandate (developmental local government). There are numerous challenges, which



need to be addressed as a result of the inequalities inherited from the former apartheid era (separatist rule whereby the minority whites ruled South Africa based purely on the colour of one's skin). In the recent months, basic services were crippled throughout the country by increased service delivery protests, which were marred by violence. The latter created significant challenges in economically weak local municipalities that are poorly governed and managed. Some of the bigger challenges facing most municipalities in South Africa is the lack of universal access to water and electricity, sanitation, refuse removal systems and local economic development. In terms of Section 151 of the Constitution of the Republic of South Africa, 1996, local government should provide services to communities in an efficient and sustainable manner. According to the Department of Constitutional Development municipalities must lead, manage and plan for development, their task together with national and provincial government is to eradicate poverty, boost local economic development, job creation, and carry forward the process of reconstruction and development." The democratisation of South Africa has proposed a framework for change to permit municipalities to execute service delivery and economic developmental initiatives aimed at improving the welfare of local communities (Local Government: Municipal Systems Act 32 of 2000). A number of stubborn service delivery and governance problems have been identified in municipalities over a number of years. The 10 priority areas are identified as significant service delivery and backlog challenges, for example: housing, water and sanitation; poor communication and accountability relationships with communities; problems with the political administrative interface; corruption and fraud; poor financial management, for example: negative audit opinions; Number of (violent) service delivery protests; weak civil society formations; Intra - and inter-political party issues negatively affecting governance and service delivery and Insufficient municipal capacity due to scarce skills .

Despite national government having injected significant financial resources to promote social and economic development, provide basic infrastructure and services, many municipalities have failed to meet the basic needs of their communities. The sad and recent wave of violent service delivery protests in many municipalities is a source of concern. In response to these service delivery protests, the Department of Co-operative Governance and Traditional Affairs (CoGTA) commissioned a national study on the state of local government. Recent waves of service delivery protests include dissatisfaction with the delivery of basic municipal services, such as running water, electricity and high



levels of unemployment high levels of poverty, poor infrastructure, lack of housing, and empty and unrealistic political promises made prior to the build-up of elections. As a result, South African municipalities are perceived to have significant backlogs in addressing these challenges. It is against this background that an assessment of the Local Government Turnaround Strategy (hereafter referred to as the LGTAS) with specific reference to Ngqushwa Local Municipality, will be undertaken.

The South African Cabinet approved a comprehensive Local Government Turnaround Strategy (LGTAS) with emphasis on the following to restore the confidence of the majority of people in their municipalities, as the primary delivery machine; and to re-build and improve the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government. According to the LGTAS, municipal-specific turnaround strategies and implementation plans need to be developed by each municipality in South Africa. In this regard, all municipalities were expected to have developed their individual Municipal Turnaround Strategy Plans by 2010 based on the principle of 'a one size fits all' approach not being practical. The primary aim of the LGTAS is to ensure that all municipalities and their communities embark upon a concentrated effort to deal with the root causes undermining the country's municipalities and to restore good performance and effective service delivery. The LGTAS provides an opportunity for all municipalities in the country to reflect on their own performance and concentrate on removing constraints. In this regards a LGTAS should strive to set the standards by which municipalities will be held to account (to their communities) for their performance and actions and set the standards by which various parties will hold each other to account for: support, monitoring and evaluation, constructive participation in municipal affairs and planning. LGTAS approved by the South African Cabinet also identified five strategic objectives namely to ensure that municipalities meet the basic needs of communities; to build clean, effective, responsive and accountable local government; to improve functionality, performance and professionalism in municipalities; to improve national policy, oversight and support to local government.; and to strengthen partnerships between local government, communities and civil society.

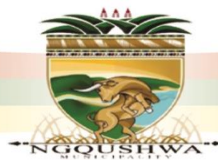
The new Local Government system is already operating in the third decade. In South Africa, the LGTAS has been distilled into a local government 10-point plan, which includes:

- Improving the quantity and quality of basic services for all people in term of water, sanitation, electricity, waste management, roads and disaster management;
- Enhancing local job creation and sustainable livelihoods through LEDs, and utilizing cooperatives in every ward;
- Deepening democracy through a refined ward committee system that will be based on the will of the people;
- Ensuring that municipalities have and implement reliable and credible integrated development plans (IDPs);
- Building and strengthening the administrative, institutional and financial capacity of municipalities;
- Creating a single window of coordination, support, monitoring and intervention to deal with uncoordinated interaction by other spheres of government with municipalities, including unfunded mandates;
- Rooting out corruption, nepotism and maladministration in the system of local government;
- Developing a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system;
- Developing and strengthening a stable system of municipalities; and;
- Restoring the institutional integrity of municipalities

The LGTAS has been introduced to address the need for a number of adjustments and reforms in the leadership, policy, regulatory and oversight environments of municipalities. It is assumed that the 10-point plan will, to a large extent reduce the ongoing challenges faced by many municipalities. This will form the basis for Ngqushwa Local Municipality Turnaround Strategy Plan.

### **1.21 AIMS AND OBJECTIVES OF THE TURNAROUND STRATEGIC EFFORT FOR NGQUSHWA LOCAL MUNICIPALITY TOWARDS 2022**

Local government, and in particular the Ngqushwa Local Municipality, is confronted with a wide range of challenges. As each municipality faces its own but different economic and social challenges and different support needs, the key challenges facing the Ngqushwa Local Municipality are to provide a solid foundation for municipality's



Turnaround Strategy. The objectives of this strategy will include such as the restoration of confidence in the Ngqushwa Local Municipality as a primary service delivery arm of government that is effectively addressing community concerns; the universalization of service delivery to all communities of Ngqushwa Local Municipality ; addressing the key socio-economic challenges in Ngqushwa Local Municipality , especially unemployment and poverty; developing a shared agenda for the growth and development of Ngqushwa Local Municipality ; understanding and managing institutional risks; ensuring a fraud- and corruption-free municipality ; ensuring good corporate governance and an accountable and performance driven institution, which is focused on service delivery; ensuring that all municipal planning, budgeting and decision-making processes are embedded in Public Participation and community involvement; restoring the human dignity of the residents of Ngqushwa Local Municipality , especially in the disadvantaged areas/wards; ensuring sound financial management and sustainability; and ensuring a joint intergovernmental approach to implementing the Ngqushwa Local Municipality 's Turnaround Strategy .

Despite these objectives being identified, the vast majority of communities and wards served by the Ngqushwa Local Municipality remain in poverty with very limited or no access to basic services. Numerous environmental scanning efforts have been conducted on service delivery within Ngqushwa Local Municipality . However, upon scrutiny of reviewed surveys, it is noted that limited work has been conducted on the effectiveness and efficiency of the LGTAS within the Ngqushwa Local Municipality . There are significant service delivery and backlog challenges, an increasing number of service delivery protests and poor channels of communication between municipalities and communities in South Africa. This has hindered the development of Ngqushwa Local Municipality. The primary aim of the situational analysis was to assess the implementation of the LGTAS in addressing service delivery challenges in the Ngqushwa Local Municipality from a governance perspective.

Our municipality has faced numerous challenges in recent months which can be attributable to a number of factors. Changes in the core positions of the municipality resulted in leadership challenges within the municipality. The major challenges that have confronted the Ngqushwa Local Municipality recently include: Poverty and unemployment; Elimination of the bucket system and digester tanks; High prevalence of



TB, HIV and AIDS; Illegal dumping; Universal access to basic services and maintenance of infrastructure; Basic service delivery and infrastructure development; Municipal transformation and development; Municipal financial viability and management; and Intergovernmental co-ordination across spheres of government. This document will, therefore, assess the LGTAS in terms of reaching strategic objectives by the Ngqushwa Local Municipality. This will be done from a governance perspective with the Municipal Manager and Councillors as the policy-makers and officials as the implementers of such policy.

It is argued that one of the objectives of local government is to encourage the involvement of communities and community organisations in the matters of local government. In terms of the White Paper on Local Government (1998), local government is grounded in the vision of the state with society co-operating at all levels to advance economic growth and sustainable development. This constitutional prescription is endorsed in terms of the *White Paper on Local Government*, 1998 (Republic of South Africa, 1998:37), which defines developmental government as local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve their lives. The White Paper on Local Government (2008:23) further argues that millions of South Africans still live in dire poverty, isolated from services and opportunities. Municipalities are therefore required to execute service delivery mandates through the appointment of office bearers and public officials who should be effective, efficient, accountable and responsive. In its Annual Report of 2014/2015, the Ngqushwa Local Municipality identified the institution's achievements and challenges in working smarter to expand and expedite service delivery to communities of the Ngqushwa Local Municipality. Amongst the interventions/actions that have been prioritised for 2016 include, *inter alia*, to establishment of Rapid Response Teams to enable quicker and more targeted responses to community needs and complaints; review of the Supply Chain Management Policy, structures, systems and processes; launching an Intergovernmental Relations Forum to strengthen intergovernmental relations; re-establishing and strengthening the ward committee system; addressing the issues of the audit opinion received from the Auditor-General and introducing corrective measures towards obtaining a clean audit towards 2022; vigorously instilling a culture of performance within the institution; promoting financial discipline and



management; and addressing fraud and corruption in the institution through roadshows and workshops targeted at employees and Councilors.

Ngqushwa Local Municipality proposed that all critical stakeholders as well as legislative frameworks need to be consulted to provide a comprehensive understanding of the challenges faced by the Ngqushwa Local Municipality. The Constitution of 1996 also stipulates that local government should give priority to the basic needs of all and promote the social and economic development of the community. However, over the past months South Africa has been faced with increased service delivery protests marred by violence. It is, therefore, important that developmental local government plays a pivotal role in protecting human rights and meeting basic needs. This situational analysis aimed to assess the LGTAS in addressing service delivery challenges in local government with specific reference to the Ngqushwa Local Municipality. Lack of transparency, inadequate accountability, poor Public Participation, insufficient funds and inadequate qualified public officials are some of the shortcomings experienced before the new dispensation at the Ngqushwa Local Municipality that could have led to the collapse of local government.

If the Ngqushwa Local Municipality can adequately manage available resources towards 2022 in order to implement transparent and effective service delivery, it can alleviate the notion of non-coherent service delivery within the municipality. Recent protest actions in the Ngqushwa Local Municipality area indicates clearly that there is a dire lack of adequate service delivery in certain areas. Many communities still do not have access to the most basic of services and much of the blame for this situation is ascribed to the previous political in-fighting between Councillors as well as interference by certain Councillors in the municipality's administration. There also remains a chronic shortage of skilled technocrats in certain key positions and departments, which has a further negative impact on service delivery and implementation of the LGTAS by the Ngqushwa Local Municipality. Despite the priorities that have been identified by the Ngqushwa Local Municipality and the new Municipal Manager it appears that a fair amount still needs to be done to effectively deal with the challenges of basic service delivery, unemployment, poverty and social inequality. The LGTAS applies predominantly to those areas undermining local government, including municipalities who have not improved on their governance, legislative compliance and financial management and discipline. This document further aims to formulate recommendations in respect of any shortcomings that

have been identified based on the responses and environmental scanning efforts by the Turnaround Strategy Team and the new Municipal Manager. This document is also based on the assumption that the Ngqushwa Local Municipality, like any other municipality in South Africa, could become more effective and efficient if the Ngqushwa Local Municipality Turnaround Strategy is implemented in accordance with the identified objectives.

The State of Local Government in South Africa Overview Report (2009), argue that local government is struggling to fulfil the developmental mandate of meeting the basic needs of the poor and involving citizens in local affairs. Many municipalities are therefore failing due to ineffective municipal governance which has had serious consequences for the country. Millions of poor citizens remain trapped in life-threatening poverty (<http://www.info.gov.za>). As previously indicated, the proposed Turnaround Strategy Plan will provide an assessment of the implementation of the Turnaround Strategy of the Ngqushwa Local Municipality and in future to facilitate and to assist, *inter alia*, the municipality to make any progress in terms of the objectives identified by this document.

A current status review is “based on the assumption that knowledge accumulates and that we learn from and build on what others have done”. Unless we “walk the talk” of a planning exercise, future success will once again be postponed.

A nexus search has revealed that a Turnaround Strategy Plan for Ngqushwa Local Municipality has not been previously researched. An analysis of legislation provides a framework with appropriate guidelines and procedures that will enable the successful implementation of the Ngqushwa Local Municipality Turnaround Strategy Plan. The document endeavours to undertake an intense review of legislation, journal articles, newspaper reports and directives to assess the LGTAS 10 point-plan on the proper functioning of municipalities. The review has presented, in detail, the literature that was consulted and reviewed in relation to this document. A wide range of sources have been researched that give a background, purpose, significance and importance of the LGTAS in the municipal context. The Ngqushwa Local Municipality’s Turnaround Strategy is also underpinned by the following:

- African National Congress (ANC) Local Government Manifesto (2006);

- Annual and Oversight Reports (2014/2015);
- Biannual input from National Treasury;
- Constitutional mandate of South African Local Government;
- Local Government Turnaround Strategy adopted by Cabinet on 3 December 2009;
- Management and audit reports from the Office of the Auditor-General;
- Ngqushwa Local Municipality ANC Region's Operations;
- Ngqushwa Local Municipality's Management Reports;
- Ngqushwa Local Municipality's Mayoral and Oversight Community Outreach Reports;
- Reports of Internal Audit Services;
- Reports of the Audit Committee (<http://www.mfma.treasury.gov.za>).
- Service Delivery Protests Reports;
- Standing Committee Retreats;
- Various Ngqushwa Local Municipality's Mayoral Committee Reports; and
- 2015/16 IDP/Budget consultations.

#### **1.21.1 Constitution of the Republic of South Africa, 1996: Developmental Mandate**

The first fully democratic local government elections in South Africa took place on 5 December 2000. During those elections, apartheid segregation was abolished and new municipal boundaries were determined. The adoption of a new Constitution for the Republic of South Africa, 1996, marked the constitutional demise of apartheid. Section 2 of the Constitution of the Republic of South Africa, 1996, (hereinafter referred to as the Constitution) states that the Constitution is the supreme law of the Republic, to the extent that any law or conduct inconsistent with it is invalid and the duties imposed by it must be performed. Local government in South Africa, like any other sphere of government, is governed by the principles and rules laid down in the Constitution.

#### **1.21.2 White Paper on Local Government, 1998: Developmental Local Government**

Since the transformation of local government in 1998, numerous changes have taken place within local government. The new South African local government system, the constitutional and legal framework, established municipalities to contribute towards



building a developmental state. According to the White Paper on Local Government (1998:23), developmental local government is primarily “local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. “

### **1.21.3 White Paper on Transforming Public Service Delivery (Batho Pele)**

The *Batho Pele White Paper* on Transforming Public Service Delivery published on 18 September 1997, indicates that “a transformed South African Public Service will be judged by one criterion above all: its effectiveness in delivering services which meet the basic needs of all South Africans. Improving service delivery is the ultimate goal of the Public Service transformation programme”

### **1.21.4 Local Government: Municipal Systems Act 32 of 2000**

The Local Government: Municipal Systems Act 32 of 2000 defines how a municipality should provide municipal services to its citizens. The Act argues that a municipality should ensure that all members of the local community have access to at least the minimum level of basic municipal services (Section 73.1(c)).

### **1.21.5 Local Government: Municipal Structures Act 117 of 1998**

The Municipal Structures Act further defines a municipality as the structures, political office bearers and administration of the municipality; a geographic area; and the community of the municipality. In other words, a municipality consists of a municipal institution (political and administrative structures), and the people who live in the local area. The term can also be used to refer to a local area which falls within a municipal boundary (<http://www.pmg.org.za>).

### **1.21.6 Local Government: Municipal Finance Management Act No 56 of 2003**

According to the Constitution and the White Paper on Local Government (1998), it was apparent that since the status of local governments has changed dramatically, it is essential for the finances of a new local government system to be managed effectively

and efficiently. To facilitate this transition, new legislation was passed, namely, the Local Government: Municipal Finance Management Act No 56 of 2003 (hereinafter referred to as MFMA). The MFMA is a key component of the broader legislative framework governing municipalities, and forms a major part of the reform package to bring about financial management reforms in municipalities.

#### **1.21.7 Environmental Scanning efforts**

Since the turnaround Strategy effort will be reviewing, *inter alia*, legislation, previous research efforts journal articles, newspaper reports relevant to the environmental scanning efforts, previous academic research, study and directives to assess the LGTAS and official documents have served as the primary sources for the document study. Official documents imply those that are compiled and maintained on a continuous basis by large organisations such as government institutions and mass media refer to the category of documents that includes all information that is freely available to the public and thus to any individual. The primary purpose of this environmental scanning effort is therefore to establish a sound theoretical framework for the Turnaround Strategy. It should be noted that a significant amount of information pertinent to the topic under investigation have been sourced from, *inter alia*, applicable Acts of Parliament and policy documents for the Turnaround Strategy implantation by the Ngqushwa Local Municipality .

With apartheid, urban settlements were skewed, with blacks being relegated to so-called 'township' residential areas, located long distances from towns and places of employment. On 27 April 1950, the former nationalist government passed the Group Areas Act 41 of 1950. This Act enforced the segregation of the different races to specific areas within the urban locale. It also restricted ownership and the occupation of land to a specific statutory group. This meant that Blacks could not own or occupy land in White areas. The Group Areas Act, (1966), restricted the permanent presence of Africans in urban areas through the pass system, and reserved a viable municipal revenue base for white areas by separating townships and industrial and commercial development. Apartheid then aimed to limit the extent to which affluent municipalities would bear the financial burden of servicing disadvantaged black communities through creating spatial separation and influx control. Separate residential areas were created for the different





population groups. The former government developed cities along unequal social, spatial and economic lines, with the white minority reaping the benefits and privileged over all the other race groups. In fact, the primary role of local government under apartheid was to create and perpetuate local separation and inequality. The then crisis in local government was a major force leading to the national reform process which began in 1990. The Local Government Transition Act, (1993) was essentially a locally-negotiated transition and resulted in a wide diversity of forms of local government.

Since South Africa's legacy of apartheid, the ANC government launched its Reconstruction and Development Programme (RDP) following the first ever democratic general elections in 1994. The RDP was drawn up by the African National Congress (ANC) led alliance in consultation with other key mass organisations and a wide range of non-governmental organisations (NGOs) and research organisations assisted in the process. The ANC government indicated that "The RDP is an integrated, coherent socio-economic policy framework which seeks to mobilise all our people and our country's resources towards the final eradication of apartheid and the building of a democratic, non-racial and non-sexist future". In an attempt to redress the wrongfully apartheid legacies, the new government reformed previous legislation and policies to address issues pertaining to segregation, inequity, inequality, discrimination, poverty and to establish new transitional local authorities.

The first fully democratic local elections in South Africa were held on 5 December 2000, the old apartheid system was thankfully demolished, and new municipal boundaries were drawn to include every part of the country. According to the Municipal Structure Act (Act 117 of 1998), three categories of municipalities were established, namely: Category A (metropolitan municipalities), Category B (local municipalities) and Category C (district municipalities). The Municipal Infrastructure Investment Framework (MIIF), uses the legal categorisations of municipalities and further disaggregates them into particular typologies based on spatial characteristics, size of institution and budget, population and percentage urban population. These categories are described in the table below.

Municipal categories	Description of categories
Category A: Metropolitan municipalities	A municipality that has exclusive municipal executive and legislative authority in its area.
Category B: Local municipalities	A municipality that shares municipal executive and legislative authority in its area with a Category C municipality within whose area it falls
Category C: District municipalities	A municipality that has municipal executive and legislative authority in an area that includes more than one municipality
<ul style="list-style-type: none"> <li>• A: Metropolitan municipalities</li> <li>• B1: Local municipalities with largest budgets, also referred to as the secondary cities</li> <li>• B2: Local municipalities with large towns at their core</li> <li>• B3: Local municipalities with small towns and relatively small populations</li> <li>• B4: Local municipalities which are mainly rural with communal tenure</li> <li>• C1: District municipalities which are not water service authorities</li> <li>• C2: District municipalities which are water services authorities</li> </ul>	

Table: Categories of Municipalities in South Africa.

According to the White Paper on Local Government, 1998, the new democratic government had a vision to "work with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives." This referred in particular to those members and groups within communities that are most often marginalised or excluded, such as women, the disabled and the very poor. This policy document introduced a new vision of developmental local government whereby communities, together with local government would find sustainable ways to meet their needs and improve the quality of their lives.

The November 1995 local government elections were aimed at facilitating the transition from apartheid "structures" to a democratic system of local government. The first chapter



in the democratisation of South Africa was brought to a satisfactory conclusion with the 1995 local government elections. The December 2000 local government elections completed the local government transitional process, putting new local government democratic structures and Councils in place. This process was undertaken in terms of what is known as the “pre-interim,” “interim” and “final” phases of the restructuring of local government in South Africa. The Local Government Transition Act, 209 of 1993 explicitly mapped out three phases of transition for local government in South Africa namely the pre-interim phase, 1993-95; the interim phase, 1995-99 and the final phase, 1999 to the election of 5 December 2000.

In addition, the Constitution of 1996 obligates local government to take on a developmental role. The principles of local government define the status underlying developmental local government as, inter alia that local government is no longer a site for the delivery of services only, but a crucial site for social and economic development. This requires local government to have a strong developmental focus; local government is a key arena for the democratic participation of ordinary citizens; municipalities constituting the new local government system have to be financially viable and sustainable, and the Constitution grants local government original powers. It has now become a sphere of government in its own right.

According to Section 151 (3), Chapter 7 of the Constitution 1996, ‘a municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation, as provided in the Constitution’.

The scars left by the former apartheid system among the majority of disadvantaged communities are still visible, despite the progress made by the ANC in correcting the inequalities of the past. Many communities are still geographically divided and live in poverty, the previous local government system failed to address the greatest needs of the majority of the South Africans and the current system has not yet been able to reverse these long-standing patterns of inequality and unmet human needs.



## **1.22 LEGAL FRAMEWORK FOR LOCAL GOVERNMENT**

### **1.22.1 Constitution of the Republic of South Africa, 1996: Developmental Mandate**

The Oxford Dictionary of Law indicates that a Constitution can be written or unwritten, and if written, it may only be amended through a special procedure, as is the case with the South African Constitution, which can only be amended by a two-thirds majority. One of the most important objectives of a constitution is to defend the rights of the state's citizens, by ensuring that government authority is not exercised arbitrarily. The relationship between government and the governed is normally determined by the constitution, a Constitution prescribes:

- The method by which the various organs of government are to be organized;
- The range or powers allocated to each organ of government; and
- The way in which these powers are to be exercised.

Section 2 of the Constitution of the Republic of South Africa, of 1996, also indicates that the South African Constitution is the supreme law of the Republic, to the extent that any law or conduct inconsistent with it is invalid and the duties imposed by it must be performed. Local government in South Africa, like any other sphere of government, is governed by the principles and rules laid down in the Constitution. South Africa's Constitution is widely recognised as one of the most progressive in the world.

Chapter 2 of the Constitution, which incorporates the Bill of Rights, has had the greatest influence on South Africans. The Bill of Rights is a cornerstone of democracy in South Africa. It enshrines the rights of all people in the country and affirms the democratic values of human dignity, equality and freedom. All citizens should be treated as equal as possible so as to promote the rights enshrined in the Bill of Rights (Chapter 2) in the Constitution, which reflects the nation's values.

The South African Constitution obliges local government to take on a development role. The Constitution indicates in Section 151(1) that, the local sphere of government As a result, municipalities are obliged to ensure the following:



- Provide a democratic and accountable government for local communities and be responsive to the needs of the local community;
- Encourage the involvement of communities and community organisations in the matters of local government;
- Ensure the provision of services to communities in a sustainable manner;
- Assign clear responsibilities for the management and co-ordination of these administrative tasks;
- Facilitate a culture of public service and accountability amongst its staff. Promote social and economic development; and
- Promote a safe and healthy environment

Sections 152 and 153 of the Constitution indicates that the objects of local government are, among others, “to provide democratic and accountable government for local communities and to encourage the involvement of communities and community organisations in the matters of local government”. The broad principles underlying the new system of local government are as follows:

- Become a sphere of government in its own right. It is part of a system of co-operative government and governance;
- No longer a site for the delivery of services only;
- Appropriately contribute to both economic growth and social redistribution; to both economic growth and social redistribution;
- A key arena for the democratic participation of ordinary citizens;
- Be financially viable and sustainable; and
- Over time, through appropriate negotiations, more powers and functions can be devolved to local government.

The impact of apartheid was felt most harshly at the local sphere since local government is regarded as the sphere of government closest to the people. Municipalities face great challenges in promoting human rights and meeting human needs, addressing backlogs and problems caused by apartheid planning, and planning for a sustainable future. Municipalities can only meet these challenges by working together with local citizens, communities and businesses, and adopt a developmental approach. A municipality is

not, as in the past, a “creation of statute,” but an integral part of the government of South Africa by virtue of it being entrenched in the Constitution also regards local government as the context of the everyday lives and the only level of government that has constant impact on the physical and human social environment within which humans live. A discussion on developmental local government will now follow. The review will commence with a synopsis on the most pertinent prescriptions pertaining to the topic under investigation as Ngqushwa Local Municipality derives in part from the past and retains some of the characteristics of the past.

### **1.22.2 Development of Local Government**

With the publication of the White Paper on Local Government (March 1998), the focus on local government shifted from transition to transformation. In order to facilitate the transformation of local government, the Constitution of 1996 mandated national government to enact laws in order to facilitate the new municipal dispensation. The legacy of apartheid impacted on the transition from a racial to a non-racial dispensation, heralding the start of a transformation era within local government. That transformation requires an understanding of the impact of apartheid on society, so that appropriate responsive systems and structures may be established to deal with its legacy. The transformation of local government into a developmental sphere also advocates community involvement from 1998 onwards, the focus shifted from transition to transformation. Since the transformation of local government in 1998, numerous changes have taken place within local government. The new South African Local Government system, the constitutional and legal framework, established municipalities to contribute towards building a developmental state. According to the White Paper on Local Government (1998:23), developmental local government is primarily “local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. “Developmental local government has four inter-related characteristics as identified in the White Paper on Local Government (1998:38-42) namely the maximizing social development and economic growth; Municipalities should provide services that meet basic needs of the poor communities in the most affordable manner so as to ensure the maximum social development of an area; the Integrating and Co-coordinating.



Developmental local government must, therefore, provide a vision and leadership for all those who have a role to play in achieving local prosperity. Poor coordination between service providers could severely undermine the development effort. Ngqushwa Local Municipality should actively develop ways to leverage resources and investment from both international courtiers, the South African public and private sectors to meet development targets towards 2022.

Municipalities should promote the participation of citizens and community groups in planning and service delivery processes. Ideally, municipalities should support individual and community initiatives, and to direct community energies into projects and programs which benefit the area as a whole .A central principle of the Reconstruction and Development Programme (RDP) is the empowerment of poor and marginalised communities. According to the White Paper on Local Government (1998) developmental local government is uniquely placed to combine empowerment and redistribution in a number of concrete programs, For example:

- Service subsidies are a focused mechanism for providing services to the poor at below cost, and thereby provide an opportunity for low-income households to improve their circumstances;
- Support to community organisations in the form of finances, technical skills or training can enhance the ability of the poor to make their needs known and to take control of their own development process and
- Socio-economic development and community empowerment are mainly directed at poverty eradication.

Socio-economic development and community empowerment are mainly directed at poverty eradication. The majority of the poor are women and empowerment strategies, which focus on women, are the most effective and inclusive. According to the White Paper on Local Government (1998), municipalities need to develop their capacity to understand the diverse needs of women in the community and address these needs in planning and delivery processes to enhance their impact on poverty eradication. Developing Ngqushwa Local Municipality , therefore, requires to be strategic, visionary and ultimately influential in the way we function. Due to rapid changes at global, regional,



national and local levels, local communities need to constantly ensure that economies are sustained, communities are uplifted and poverty is eradicated. It is indicated in the White Paper on Local Government, that in practical terms, municipalities can build social conditions favourable for development through:

- Building a political leadership that is able to bring together coalitions and networks of local interests that cooperate to realise a shared vision;
- Responsive problem-solving and a commitment to working in open partnerships with business, trade unions and community-based organisations;
- Ensuring that knowledge and information are acquired and managed in a way that promotes continuous learning which can be accessed easily;
- Enhancing local democracy through raising awareness of human rights issues and promoting constitutional values and principles;
- Building an awareness of environmental issues and how the behaviour of residents impacts on the local environment. Encourage citizens to utilize scarce natural resources in a prudent and careful manner;
- Investing in youth development as a key resource for the future, and building on their creativity and motivation through involvement in civic and development programs;
- Actively seeking to empower the most marginalized groups in the community and encourage their participation; and
- Empowering ward Councillors as community leaders who should play a pivotal role in building a shared vision and mobilize community resources for development.

As discussed above of the many challenges faced by municipalities, one of the major concerns is the serious leadership and governance deficiency in municipalities, including weak accountability to communities and responsiveness. According to the White Paper on Local Government (1998), national government, provincial governments, and the nation as a whole have an interest in ensuring that administrative transformation equips municipalities to better meet development challenges. Municipalities need to strategically assess and plan the most appropriate forms of service delivery for their areas that will promote human rights and provide social and economic development. Local government,

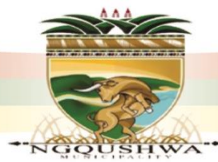


in its new role, is arguably at the “coal-face” of South African society – a society, in which substantial levels of impoverishment and poor standards of service delivery have persisted, perpetuating racial polarities and inequality

### **1.22.3 White Paper on Transforming Public Service Delivery, 1997 (Batho Pele Principles)**

The concept Batho Pele (People First in Sesotho) was devised by a former Minister for Public Service and Administration in South Africa. It is an initiative to get public servants to be service orientated, to strive for excellence in service delivery and to commit to continuous service delivery improvement. It is a simple and transparent mechanism, which allows citizens to hold public servants accountable for the level of services they deliver. The *Batho Pele White Paper on Transforming Public Service Delivery* published on 18 September 1997, indicates that a transformed South African Public Service will be judged by one criterion above all: its effectiveness in delivering services which meet the basic needs of all South Africans. The eight service delivery Batho Pele Principles that should be implemented are:

- **Consultation.** Citizens should be consulted about the quality of the services they receive.
- **Service standards.** Communities should be informed what level and quality of service they will receive so that they know what to expect.
- **Access.** All citizens should have equal access to the services they are entitled to.
- **Courtesy.** All members of the community should be treated with courtesy and consideration.
- **Information.** Communities should be given full and accurate information about the public services they are entitled to.
- **Openness and transparency.** Citizens should be informed on how local authorities function and the information they are entitled to.
- **Redress and handling of complaints.** If community members do not receive promised services they should be entitled to a full explanation and also to a speedy remedy.
- **Value for money.** Services should be provided economically and efficiently in order to provide citizens with the principle of best value for money.



The eight Batho Pele principles were developed to serve as acceptable policy and legislative framework regarding service delivery in the public service. These principles are aligned with the Constitutional ideals of promoting and maintaining high standards of professional ethics; providing service impartially, fairly, equitably and without bias; utilising resources efficiently and effectively; responding to people's needs; the citizens are encouraged to participate in policy-making and rendering an accountable, transparent, and development-oriented public administration (Batho Pele Handbook – A Service Delivery Improvement Guide). The Batho Pele Principles have been summarised by the slogan: “We belong, we care, we serve.” Batho Pele aims to ensure that all public officials put people first, and adhere to the following overarching framework:

- We belong: we are part of the Public Service and should work together and respect fellow colleagues
- We care: caring for the public we serve – our customers
- We serve: all citizens will get good service from public servants

If communities are aware of their rights, the actual implementation of the Batho Pele Principles will ensure that all citizens receive the services they are entitled to. The Batho Pele Principles should instil a culture of accountability by public officials, which will ultimately result in service excellence and continuous service delivery improvement.

#### **1.22.4 Local Government: Municipal Systems Act 32 of 2000**

The Local Government: Municipal Systems Act 32 of 2000 is the most important of all local government legislation, as it establishes the framework for planning, performance management systems, effective resources utilisation and organisational change. It provides for the core principles, mechanism and processes that are necessary to work in partnership with the community. The Local Government: Municipal Systems Act 32 of 2000 defines how a municipality should provide municipal services to citizens. In terms of Section 73.1(c) of the Systems Act a municipality should ensure that all members of the local community have access to at least the minimum level of basic municipal services. The preamble to the above-mentioned Act confirms the importance of local government in ensuring universal access to essential services by citizens, specifically the poor and disadvantaged who were neglected under the former apartheid regime. The organisational structuring of local government is explicitly prescribed in the Municipal



Systems Act 32 of 2000 and specifically in Section 51 which provides that “A municipality must, within its administrative and financial capacity, establish and organise its administration in a manner that would enable the municipality to:

- Be responsive to the needs of the local community;
- Facilitate a culture of public service and accountability amongst its staff;
- Be performance orientated and focused on the objectives of local government set out in Section 152 of the Constitution and its developmental duties as required by Section 153 of the Constitution;
- Ensure that its political structures, political office bearers and managers and other staff members align their roles and responsibilities with the priorities and objectives set out in the municipality’s integrated development plan;
- Establish clear relationships, and facilitate co-operation, co-ordination and communication, between:
  - its political structures, political office bearers and its administration
  - its political structures, political office bearers and administration and the local community
- Organise its political structures, political office bearers and administration in a flexible way in order to respond to changing priorities and circumstances;
- Perform its functions:
  - through operationally effective and appropriate administrative units and mechanisms, including departments and other functional or business units; and when necessary, on a decentralised basis;
- Assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms; and
- Hold the municipal manager accountable for the overall performance of the administration”.

#### **1.22.5 Local Government: Municipal Structures Act 117 of 1998**

The Local Government: Municipal Structures Act 117 of 1998 is part of a series of legislation which aims to empower local government to fulfil its Constitutional objectives as well as define the structures of local government. The Municipal Structures Act defines



a municipality as the structures, political office bearers and administration of the municipality ; a geographic area; and the community of the municipality . In other words, a municipality consists of a municipal institution (political and administrative structures), and the people who live in the local area. The term can also be used to refer to a local area which falls within a municipal boundary .The Local Government: Municipal Structures Act 117 of 1998 is designed to regulate the internal systems, structures and office bearers of municipalities. In terms of Section 56 of the Municipal Structures Act 117 of 1998, certain duties and powers are placed on the leadership of Ngqushwa Local Municipality to ensure that effective and efficient services are delivered to communities and municipal programs are arranged to accommodate local circumstances.

#### **1.22.6 Local Government: Municipal Finance Management Act No 56 of 2003 56 of 2003**

In terms of the 1996 Constitution and the White Paper on Local Government, 1998, the status of local governments has changed significantly and it is essential for the finances of local government to be managed effectively and efficiently. To facilitate this transition, new legislation was passed, namely, the Local Government: Municipal Finance Management Act No 56 of 2003 56 of 2003(hereinafter referred to as MFMA). The MFMA was adopted by Parliament on 26 November 2003, and assented to by the State President on 9 February 2004, as published in Government Gazette 26019. The MFMA applies to all municipalities and municipal entities.

The MFMA is a key component of the broader legislative framework governing municipalities and forms a major part of the reform package to bring about financial management reforms in municipalities. The afore-mentioned Act aims to strengthen financial management to support municipalities in moving towards an even more sustainable future as well as clarifying and separating the roles and responsibilities of political office bearers .The main purpose of this local government piece of legislation is to secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government. The overall purpose of this Act is to enable proper and transparent financial management. Good financial management is the key to local delivery. Corruption, financial mismanagement and non-compliance with financial legislation are common in most municipalities. While there are many





examples of exceptional efforts and remarkable successes by individual municipalities, the local government system does not, at present, appear to be responding to these challenges effectively. However, many municipalities are unable to leverage the funds they need for even moderate municipal functionality. Consequently, this has resulted in the delivery of social services being severely compromised.

There are 4 underlying principles in the MFMA, which form the basis of the key reforms envisaged namely promoting sound financial governance by clarifying roles; strategic approach to budgeting & financial management; modernisation of financial management and promoting co-operative governance.

The MFMA, therefore, guides municipalities with how to keep, raise and spend public finances by enforcing sound public financial management at local government level. The State of Local Government in South Africa Report, 2009, also indicates that “the national government may have created expectations that local government cannot fulfil, or placed a burden on municipalities that perhaps only the strongest amongst them can carry”. The State of Local Government in South Africa Report 2009, further notes that the “distribution of the equitable share always favours metros over local municipalities and that the national government has failed to devise a sustainable strategy for supporting municipalities that are inherently different and confronting unique problems that are linked to their location in a distorted spatial economy”. Hence, despite the powers devolved to local government through various policies and pieces of legislation, the municipalities have been unable to meet their performance standards. In terms of the State of Local Government in South Africa Report 2009, the failure of performance standards in municipalities has had adverse implications on local service delivery.

### **1.23 LEGISLATIVE PRESCRIPTIONS PERTAINING TO PUBLIC CONSULTATION AND PARTICIPATION**

International experience has shown that citizen and community participation are an essential part of effective and accountable local governance in South Africa also indicated that the third sphere of government in South Africa can be regarded as being the closest to communities and in terms of the new developmental mandate assigned to it, public

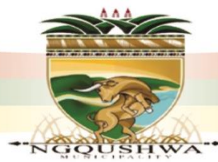


consultation and participation are of particular importance. The following legislations is of importance in this regard. However, a brief overview will be provided on selected Acts for purposes of the ngqushwa local municipality task:

- The Freedom Charter adopted by the Congress of the People in Klip Town, near Johannesburg in 1955;
- The Constitution of the Republic of South Africa Act 108 of 1996;
- The White Paper on Local Government, 1998;
- The Local Government: Municipal Structures Act, 117 of 1998;
- The Local Government: Municipal Demarcation Act, 27 of 1998;
- The Local Government: Municipal Electoral Act, 27 of 2000;
- The Local Government: Municipal Systems Act, 32 of 2000 and
- The Local Government: Municipal Finance Management Act No 56 of 2003, 56 of 2003.

#### **1.23.1 Public Participation Provisions Contained in the White Paper on Local Government, 1998.**

The White Paper on Local Government, 1998 (Government Gazette, Vol. 18739, 13 March 1998) is based on the following premise that apartheid had fundamentally damaged the spatial, social and economic environments in which people live, work, raise families and seek to fulfill their aspirations; and that local government consequently has a critical role to play in rebuilding local communities and environments, as the basis for a democratic, integrated, prosperous and truly non-racial society. As such, the White Paper on Local Government, 1998, examined the state of local government at the time (1998) and made several recommendations. Amongst these recommendations was the need to promulgate legislation that would promote a new mandate for local government through public consultation and participation. In terms of Section B of the White Paper on Local Government, 1998, developmental local government is defined as local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. In order to realise the concept of developmental local government, Section B of the White Paper, 1998, stipulates the following key components of Characteristics of developmental local government; Developmental outcomes of local government and



Tools and approaches for developmental local government. The characteristics of developmental local government are prescribed as Maximising social development and economic growth; Integrating and coordinating; Democratising development, empowering and redistributing and Leading and learning.

With regard to democratising development, the White Paper on Local Government, 1998, requires that municipal Councillors should promote the involvement of citizens and community groups in the design and delivery of municipal programs. It can, therefore, be argued that developmental local government hinges on public consultation and participation. The White Paper on Local Government, 1998, prescribes the provision of household infrastructure and services, creation of liveable, integrated cities, towns and rural areas and promotes local economic development as the outcomes expected of local government, in the context of a developmental state. The White Paper further provides for the following tools and approaches for developmental local government:

- Integrated Development Planning (IDP), budgeting and performance monitoring;
- Performance management, and
- Working together with local citizens and partners

One of the strengths of integrated development planning is that it recognises the linkages between development, service delivery and democracy. The White Paper on Local Government, 1998, requires municipalities to enhance public consultation and participation at four levels, namely:

- As voters, to ensure maximum democratic accountability of the elected political leadership for the policies they are empowered to promote;
- As citizens who express, via various stakeholder associations, their views before, during and after the policy development process in order to ensure that policies reflect community preferences as far as possible;
- As consumers and end-users, who expect value-for-money, affordable services and courteous and responsive service; and
- As organised partners involved in the mobilisation of resources for development via for-profit businesses, non-governmental organisations (NGOs) and community-based institutions.



It is clear from the above that Public Participation takes place on four levels: the public as voters; as citizens, as consumers and as organised partners in development. It can be argued that as The White Paper on Local Government, 1998, was not an Act of Parliament it did not have the full force of law required to enforce its provisions. Public Participation structures such as ward committees could not be established on the strength of the White Paper alone. As a result, additional developmental legislation had to be promulgated to give effect to, inter alia, strengthening community consultation and participation.

### **1.23.2 Public Participation in terms of the municipal demarcation act, 27 of 1998**

The Local Government: Municipal Demarcation Act, 27 of 1998, was promulgated on 3 July 1998 to provide for criteria and procedures for the determination of municipal boundaries by an independent authority. The Act can be seen as developmental legislation that gives effect to provisions contained in the White Paper on Local Government, 1998, published on 13 March 1998. The Act also gives effect to the provisions of Chapter 7 of the Constitution of the Republic of South Africa, 1996. In terms of Section 24(a) (i), one of the objectives of the Municipal Demarcation Act is the provision of democratic and accountable government for local communities. Sections 26(1) (b) and 28(1) both provide for the involvement of the public in the demarcation process. As such, it is evident that the Municipal Demarcation Act is “developmental” legislation as it encourages public consultation and participation in matters of local government. It should, however, be noted that the Act is not clear or specific as to the role of ward committees in the demarcation process. The Act also makes it optional, in terms of Section 28(1) for the Demarcation Board to hold public meetings during the municipal demarcation process. After the public demarcation unrest experienced in Khutsong Township during the period leading up to the local government elections of 1 March 2006, it was recommended that government should consider amending the Act to make it mandatory for the Demarcation Board to consult with the public prior to the demarcation of a particular municipality.



### **1.23.3 Public Participation provisions in terms of the municipal structures act, 117 of 1998.**

Because local government is regarded as the sphere of government closest to communities, the core of related legislation is to establish measures to ensure that citizens give input into the decisions that local municipalities make. The Local Government: Municipal Structures Act, 117 of 1998, was the first developmental legislation that dealt in specific terms with the structures and processes required to effect public consultation and participation in the Republic of South Africa.

In terms of Section 72 of Act 117 of 1998, only metropolitan and local municipalities of certain types may have ward committees. This means that there are a number of municipalities that need to develop Public Participation mechanisms other than the ward committee participatory system. In terms of Section 72(3) of the Act, the object of a ward committee is to enhance participatory democracy in local government. This, in practice, is carried out through Public Participation and consultation. According to Section 72(1) of the Act, only metropolitan and local municipalities of the types mentioned in Sections 8(c), (d), (g), (h) and 9(b), (d), (f) of the Act may have ward committees .

Four important deductions related to ward committees can be made, namely:

- The object of ward committees is to enhance Public Participation and consultation in matters of local government;
- Ward committees are structured communication channels between local government and its communities;
- Ward committee members, with the exception of the ward Councillor, are community representatives who perform their duties on a voluntary basis; and
- Although the Act empowers the metro to dissolve a ward committee that fails to fulfill its objectives, it does not provide for a monitoring and evaluation system required to measure performance indicators.

## 1.24 SERVICE DELIVERY CHALLENGES AS REGARDED IN LOCAL GOVERNMENT

Local government is defined as the sphere of government closest to the people and is at the realm of public service delivery. We can reiterate this viewpoint by indicating that local government is often the first point of contact between an individual and a government institution. The term “challenges” are defined within the concept of the African Renaissance as, the revival or revitalisation of any impediments which could constitute an obstacle towards development and innovation. Before a problem can be properly addressed, it is imperative that the root causes are identified. According to the Local Government Turnaround Strategy: Municipal Guidelines, January 2010, numerous root causes of municipal problems were identified, which included:

Root Causes of Municipal Problems	
<b>Systemic Factors</b>	Two tier system; limited revenue base; demarcation
<b>Legislative Factors</b>	Inappropriate legislation; over –and under- regulation
<b>Political Factors</b>	Inter-and intra-political conflicts and polarisation
<b>Accountability Systems</b>	Lack of performance management systems; poor oversight; poor community participation mechanisms
<b>Capacity &amp; Skills</b>	Lack of capacity in small & rural municipalities
<b>IGR support &amp; oversight</b>	Fragmented national and provincial support; weak oversight
<b>Intergovernmental Fiscal Regime</b>	Poor grant design & limited impact; grant dependency

Figure : Root causes of municipal problems.

(Source: Local Government Turnaround Strategy: Municipal Guidelines, January 2010)

The above figure indicating the root causes, appear to correlate with the findings of the Local Government in the Eastern Cape that it has shown to be a potential hotspots for violent service delivery protests after emerging as a province with one of the highest levels of dissatisfaction among residents, according to a national poll. The 1996 Constitution prescribes that every person has a right to better life, shelter (house), food, water and sanitation and any aspect that will enhance the quality of life of communities. Despite South Africa taking a significant and positive stride towards the promise of developmental local government, most municipalities are still plagued by significant challenges which have sparked a wave of national service delivery protests.





### 1.25 LOCAL GOVERNMENT TURNAROUND STRATEGY (LGTAS)

The critical question facing local government is: *“What must be done to restore the confidence of people in this sphere of government?”*

In an attempt to address this question, nine province-wide assessments of each of the 283 municipalities were carried out in 2009 by the Minister of Cooperative Governance and Traditional Affairs (CoGTA), together with the respective Members of the Executive Council (MECs) responsible for local government. The purpose of the provincial assessments was to determine the key problem statement in different thematic areas and to establish the root causes for poor performance, distress or dysfunctional municipalities. From these assessments, the consolidated State of Local Government Report, 2009, was compiled and widely consulted with stakeholders. Following the analysis of the results of these assessments and from the issues covered, the framework known as the Local Government Turnaround Strategy (LGTAS) was established and published in November 2009. One of the main aims of the Turnaround Strategy is to renew the vision of developmental local government. To do this the LGTAS sought to improve the organisational and political performance of municipalities and in turn improve delivery of services. The goal is to improve the lives of citizens, and progressively meet their social, economic and material needs, thereby restoring community confidence and trust in government. The LGTAS applies largely to those forces undermining Local Government including those municipalities who have evidence of performance failures, or difficult social and economic circumstances to manage. The LGTAS is premised on key assumptions:

- **Local Government is everyone’s business.** The Strategy extends beyond government and must be owned across society. Municipalities can be made to work better for everyone by everyone.
- **The structure of local government system remains.** Notwithstanding certain changes that may have to be effected, the overall architecture of the system of local government is still sound. Certain policy and legislative reforms have been proposed by the Policy Review on Provincial and Local Government (COGTA

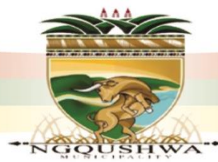
2009), and these are connected to the longer-term proposals in the LGTAS. Other proposals are still under consideration.

- **The local government system is still new and is evolving.** The new system of local government was always intended to be phased in over time and the current problems must be seen as part of an effort to learn and correct as we continue with implementation. The Turnaround Strategy identifies 5 strategic objectives as illustrated in Figure below, namely:

- Ensure that municipalities meet basic needs of communities.
- Build clean, effective, responsive and accountable local government
- Improve functionality, performance and professionalism in municipalities
- Improve national policy, oversight and support
- Strengthen partnerships between local government, communities and civil society



Figure: Strategic objectives of the LGTAS. (Source: Local Government Turnaround Strategy).



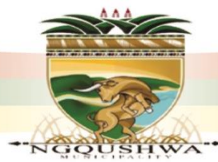
According to CoGTA (2010a:3-4), the LGTAS was underpinned by two important considerations:

- **The first is that a “one size fits all” approach to municipalities is not useful or acceptable.** Each municipality faces different social and economic conditions and has different performance levels and support needs. Thus a more segmented and differentiated approach was required to address the various challenges of municipalities.
- The (*second*) and twin over-arching aim of the Turnaround Strategy is to: (i) Restore the confidence of the majority of people in their municipalities, as the primary delivery machine and (ii) re-build and improve the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government.

The LGTAS has different focus areas: Firstly, the focus was on the immediate priorities prior to the 2011 elections. Secondly, the focus from March 2011 until 2014 will be on medium-term or post-election priorities. The immediate priorities prior to the 2011 elections consisted of four phases that commenced at the end of January 2010 and concluded in March 2011. The first phase can be seen as a pilot project in which selected municipalities per province developed their respective Municipal Turnaround Strategies (MTAS), followed by the second phase in which all municipalities followed the same process before incorporating their MTAS in their Integrated Development Plans (IDP). The third phase includes the budgeting and approval of each municipality's IDP, while the fourth phase involves implementation, monitoring and evaluation CoGTA (2010a:3-4).

Some of the immediate implementation priorities of the LGTAS prior to the 2011 municipal elections were the following:

- Addressing the immediate financial and administrative problems in municipalities;
- Promulgating regulations to stem indiscriminate selection and dismissal within municipalities;
- Promoting a transparent municipal supply chain management system;



- Ensuring that the programs of national and provincial government sectorial departments are reflected in municipal IDP; and
- Overcoming the “one size fits all” approach by simplifying IDP (CoGTA).

In order to provide concrete and viable recommendations for the municipal Turnaround Strategy, it is imperative that the strengths and the weaknesses of the Local Government Turnaround Strategy (LGTAS) are identified and considered.

### **1.25.1 Strengths of the LGTAS**

The Report on The Local Government Turnaround Strategy outlined that the strategy has certain salient recommendations to commend, such as:

- Understanding differences between various categories of municipalities which in turn should assist municipalities to reflect on their respective strengths and weaknesses and to take responsibility for identifying and managing appropriate interventions;
- Recognising that a “one fits all” approach is neither realistic nor desirable;
- To implement a comprehensive but differentiated programs of action that will reach the objective of ensuring that all municipalities meet the basic service needs of communities;
- Proposes enhanced support interventions from the national and provincial spheres of government with further assistance from other well- performing municipalities;
- Aims for clean and effective governmental structures;
- Requires that partnerships between local government, communities and civil society be strengthened;
- Aims for prompt service delivery, financial viability, local economic development and good governance, especially at the local sphere of government;
- Aims at eradicating backlogs relating to service delivery and to facilitate improved local economic growth; and
- Encourages innovative ways and more lateral thinking on how to do things. This implies a strategy of “thinking out of the box” at times.

The Ngqushwa Local Municipality is regarded as a Category B4 municipality in terms of Section 155(1) (a) of the Constitution of the Republic of South Africa, 1996, namely: a municipality that is mainly rural with communal tenure. The LGTAS has abandoned the approach of “one size fits all,” in understanding municipal differences and this is intended to assist municipalities to reflect on their respective strengths and weaknesses and to take responsibility for identifying and managing appropriate interventions. The adoption of a different approach means that the governance of metropolitan areas which are the engine rooms of the South African economy as well as areas of growing poverty and unemployment can finally be taken seriously.

### **1.25.2 Weaknesses of the LGTAS**

In identifying the weaknesses of some the LGTAS, has provided perspective, and at best revealed connections and areas for action.

Potential weaknesses of the LGTAS:

- The implementation of the strategy will require resources, flexibility and innovative thinking, which many municipalities are lacking;
- Poor generic work ethics amongst certain government officials;
- Structures such as ward committees and community development workers, to enhance community participation, could pose a problem to the strategy because they are often not encouraged or enforced;
- Intolerance of opposition by certain local municipalities could impact negatively on the proposed strategy;
- Leadership and bureaucratic insecurity and the inexperience of many public functionaries could pose a serious threat to its effective implementation;
- Poor capacity enhancement programs at the sphere of local government; and
- Lack of a dedicated resource base and adequate capacity building programs.

By identifying the strengths (positives) and the weaknesses (negatives) of the LGTAS, all Ngqushwa Local Municipality are in more powerful position for action as future issues can be identified and action plans can be created towards 2022.

## **1.26 NGQUSHWA LOCAL MUNICIPALITY -SPECIFIC LGTAS GUIDELINES**

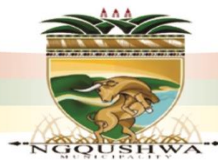
Numerous programs were intended to enable municipalities to fulfil the ‘ideal’ for local government as envisaged in the 1996 Constitution and the White Paper on Local Government. Ngqushwa Local Municipality will strive to contribute to building the Developmental State in South Africa and draw from the constitutional and legal framework established. An ideal municipality would:

- Provide democratic and accountable government for local communities;
- Be responsive to the needs of the local community;
- Ensure the provision of services to communities in a sustainable manner;
- Promote social and economic development;
- Promote a safe and healthy environment;
- Encourage the involvement of communities and community organisations in the matters of local government;
- Facilitate a culture of public service and accountability amongst its staff; and
- Assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms.

The guidelines for LGTAS should include:

- The Turnaround Strategy should provide opportunities for all municipalities in the country to reflect on their own performance and concentrate on removing constraints.
- Each municipality should define its improvement areas in consultation with the province. The critical thing is for there to be ownership by municipalities of the process. It should not be compliance driven. The use of consultants in this process is necessary.
- Municipalities are expected to develop their own turnaround strategies working together with communities. All municipalities are required to develop their individual Turnaround Strategies. This needs to be based on each municipality’s





priorities, local circumstances, financial and administrative capacities, but taking into consideration the relevant plans of national and provincial departments.

- The local strategies are, however, to be guided by the strategic objectives of the national strategy. To this effect, it would be expected of municipalities to review weaknesses in their policies, systems, structures approaches and operations and seek ways to improve and advance national aims and objectives.
- Institutional Maps should be distributed to national and provincial sector departments, state-owned enterprises, statutory bodies, stakeholder groupings and ward committees. These groupings should be required to provide input on their responsibilities and commitments into these maps, which needs to inform the respective Turnaround Strategies.

According to the LGTAS, one of the main aims of the Turnaround Strategy is that Ngqushwa Local Municipality is to renew the vision of developmental local government for its citizens. To achieve this, the LGTAS seeks to improve the organisational and political performance of Ngqushwa Local Municipality and in turn the improved delivery of In light of the above guidelines for municipality -specific LGTAS's the Ngqushwa Local Municipality turnaround strategy is aimed at, "restoration of confidence in the Ngqushwa Local Municipality as a primary service delivery arm of government that is effectively addressing our community concerns".

### **1.27 PROPOSED NGQUSHWA LOCAL MUNICIPALITY TURNAROUND STRATEGY**

Ngqushwa Local Municipality should be committed to deliver services within the framework of the *Batho Pele* principles, as previously discussed in this chapter. The Ngqushwa Local Municipality Annual Report 2015/2016 also stipulates that challenges confronting the institution include high prevalence of TB, HIV and AIDS; elimination of the bucket system and digester tanks; illegal dumping; universal access to basic services and maintenance of infrastructure; intergovernmental co-ordination across spheres of government; service delivery protests; scarce skills; and. global economic meltdown and its impact on the Municipality's revenue base; and increased unemployment levels.

The Ngqushwa Local Municipality's Turnaround Strategy also needs to be underpinned by the following:

- ANC Local Government Manifesto (2006);
- Annual and Oversight Reports;
- Biannual input from National Treasury;
- Constitutional mandate of South African Local Government;
- IDP/Budget consultations;
- Local Government Turnaround Strategy adopted by Cabinet on 3 December 2009; Ngqushwa Local Municipality ANC Region's Operations Guqula;
- Management and audit reports from the Office of the Auditor-General;
- Ngqushwa Local Municipality Management Reports;
- Ngqushwa Local Municipality Mayoral and Oversight Community Outreach Reports;
- Ngqushwa Local Municipality Mayoral Committee Reports;
- Reports of Internal Audit Services; and
- Reports of the Audit Committee.
- Service Delivery Protests Reports;
- Standing Committee Retreats;

Documentation and processes as indicated above, did assist political and administration leadership to identify and understand the challenges currently facing the Ngqushwa Local Municipality. These documents and processes have also, therefore, provided a solid foundation for the successful development of Ngqushwa Local Municipality MTAS. The following chapter will provide a brief overview of the Ngqushwa Local Municipality in terms of the geographic and demographic profile as well as situational data. The trends will aid in the identification of areas where the problem of service delivery remains rife. Furthermore, this chapter did analyse and assesses the Ngqushwa Local Municipality MTAS, specifically in the areas as identified by the Turnaround Strategic Team. Through the turnaround strategy, Ngqushwa Local Municipality will have the opportunity to indicate what their needs are and to endeavour to take the necessary action to address these needs towards 2022.



However, what forms a crucial component of this equation is the role to be played by both Councillors, the advisors and officials in meeting prescriptions contained in the national LGTAS as well as the Turnaround Strategies of Ngqushwa Local Municipality . It is in this context that the Ngqushwa Local Municipality has selected a solutions based turnaround strategy for purposes of making a difference towards 2022 and beyond. This turnaround strategy will aim to restore the confidence of our local community and Ngqushwa Local Municipality's to deliver services as part of a developmental approach. Any strategy has resource implications and therefore the impending Ngqushwa Local Municipality turnaround directives has no exception. For our proposed strategies to be effective, we need to implement resources that one aimed at boosting income. Financial viability cannot be divorced from vigorous revenue in the form of local rates . It is against this rationale that Ngqushwa Local Municipality Turnaround Strategy will possibly face our biggest challenge in meeting our vision, aims and objects.



# CHAPTER 2



## Who was Ntsikana?

For those who do not know the story of Ntsikana, the son of Gabha:

Christian missionaries had been active in black communities in South Africa since the establishment of the Moravian mission station at Genadendal in the 17th century. Christian teachings were, therefore, part of the numerous ideas pre-colonial Africans became accustomed to within their rapidly changing society.



About two hundred years ago (the exact time is uncertain), Ntsikana, a young father of the ama RaRhabe clan of the western borderlands of the Xhosa kingdom started to experience visions, telling him to convert to Christianity. After one particularly powerful experience, he went down to the river, and washed off his red ochre body paint, as a sign of leaving the old ways and taking on the new. Ntsikana's visions also told him to learn to read. This he did, and started to travel around the Eastern Cape preaching about Jesus Christ, and telling his followers that they too should learn to read.

Carrying a wooden cross, he began preaching around the years 1806 – 1809. As he had no bell, he used his voice to call his followers to prayer. The song he chanted is known today as Ntsikana's hymn. Chanting like an Islamic muezzin or azhan, Ntsikana used a traditional mode of African cultural expression, bearing a message of change and the call to embrace a new world.

Ntsikana's mission was the start of something new. He established the first truly African Christian communities, which then grew and spread across the Cape. From them we inherit the modern African perspective that still values and seeks to preserve those aspects of African tradition and culture that still have meaning and relevance in our modern world. Ntsikana was not a colonial subject forced into the faith of his conquerors. He and his followers were free people, exercising a conscious choice to embrace and adapt to their own uses the skills and the technology that the white colonial society



possessed in abundance. Christianity, freely chosen rather than imposed, represented the ideology and lifestyle of these African modernists.

Ntsikana also encouraged the drive for literacy among Christian Africans. By the end of the nineteenth century, these became known as 'the school people'. They were Africans who could read, and were often Christians; and many of them, as a result of their education, were economically independent or in professional employment. By the 1950s there were close to five thousand 'aided schools'. The great majority were begun and supported by the churches who had found fertile ground for the skills and ideologies they taught, thanks to Ntsikana's mission. They served around seven hundred thousand learners. They were often found in areas wherever there were large black communities whose educational needs governments had chosen to ignore.

Though he was not the first African to embrace Christianity, Ntsikana's mission marks a decisive watershed in the Christianisation of the Africans of the Cape, because it inaugurated an indigenous Christian community whose cultural and social impact was to irreversibly transform its own African societies and lands.

As a cultural figure Ntsikana represents the face of an indigenous African modernism, cocooned within the Christian faith. In religious, as well as social terms he was a prophetic figure, a portent of the future of both African communities in South Africa and of Christianity among the Africans.





## CHAPTER 2

# NGQUSHWA LOCAL MUNICIPALITY GEOGRAPHIC PROFILE AND SITUATIONAL DATA

### 2.1. MUNICIPAL GEOGRAPHICAL INFORMATION

Ngqushwa Local Municipality falls within the jurisdiction of the Amathole District Municipality which is situated in the Eastern Cape Province. Amathole District Municipality covers an area of 23 573km<sup>2</sup> and the Ngqushwa Local Municipal area covers 2245 square kilometres which amounts for 10% of the district. The administrative seat of the Ngqushwa Local Municipality finds itself in Peddie and the municipal area is divided into 12 wards. Ngqushwa is located in the west of the Amathole district and consists of two towns Peddie and Hamburg and a portion of King Williams Town villages. It is one of the eight municipalities that fall within the Amathole District Municipality. Ngqushwa Local Municipality consists of 108 villages. Ngqushwa is bordered by the Great Fish River to the west and the Keiskamma River to the East. The southern boundary of 42km comprises a part of the coastline of the Indian Ocean and provides for some very interesting and exciting developmental prospects.

### 2.2. WARD VILLAGES OF NGQUSHWA LOCAL MUNICIPALITY

Ward	Villages
1	Zalara, Mtati, Tyeni, Ngqwele, Bhele, Nonibe, Gobozana, Nxopho
2	Upper & Lower Mthombe, Thyatha, Mtyholo, Qugqwala, Dlova, Nquthu, Tildin, Tapushe, Rode, Zimbaba & Mavathulana.
3	Qawukeni, Mabongo, Khalana, Shushu, Ntsinekana, Mqwashu, Bongweni A, Gcinisa North, Hlosini, Bongweni B, Maqosha, Nqwenerhana, Crossman/ Mgwangqa, Nomonti & Torr
4	Machibi, Upper & Lower Dube, Madliki, Phole, Moni, Ngxakaxha & Mdolomba
5	Tyityaba/Ferndale, Bodium, Bell, Lover's Twist, Crossroads, Tuku A, B & C, Wooldridge, Hoyi, Leqeni, Begha,
6	Cisira, Feni, Dam-dam, Makhahlane, eletyuma, Mahlubini/Nyaniso
7	Ndlambe, Ndwayana, Glenmore, Qamnyana, Gwabeni, Mankone, Horton, Luxolo & Rura
8	Peddie Town, Peddie Extension, Power, Luxolweni, German village, Durban Location

9	Runletts, Woodlands, Pikoli, Nobumba, Ntloko, Mgwalana, Lewis & Paradise
10	Mtati, Ngqowa, Upper Gwalana, Mabaleni, Ntshamanzi, Newtondale, Maxhegweni, Upper Qeto, Lower Qeto, Lower Mgwalana, eSingingqini
11	Mpheko, Mgababa, Prudhoe, Mkhanyeni
12	Hamburg, Benton, Gcinisa-South, Wesley, Bhingqala/Soweto, Mqheleni, Tarfield/Nier, Qobo-qobo/Nuloets, Daninge



Figure 2.1: Map of Ngqushwa Local Municipal:2017

### 2.2.1. Visitors Guide for Ngqushwa Local Municipality

Ngqushwa Local Municipality's warm, humid climate in the area is one of the key attractions. Approximately 53% of the Ngqushwa Local Municipality's population is female and the remaining is 47% is male. 99% of the inhabitants are African. The remaining 1% is comprised of Coloured, White and Indian.

Hamburg, located on the R72 route between East London and Port Alfred, is a small seaside town in a unique location on the sunshine coast. The area showcase a spectacular natural environment, formed by a beach, a tranquil estuary, lagoon, indigenous vegetation, rare bird species, and wild landscapes. All these elements combine to make Hamburg a pristine environment, making it the perfect destination for holiday tourism and artist retreat. Combined with the dignity, warmth, and camaraderie

of the “village” and fused with its culture and heritage, Hamburg provides a mecca of inspiration for artists and holiday ventures’ will become a unique tourism destination. Pikoli, potentially an enviro-tourism destination, championing Agri-tourism activities, whilst defending the fundamental rights of its habitants with its fertile produce. This unsurpassed village is approximately 18 kilometers outside Peddie CBD, towards Grahamstown and it boast to its neighbours by its rugged hills covered by lashed of Karoo vegetation that dramatically changes to blue watered dams and scenery.

Pikoli also prides herself for her warmth when welcoming all year round visitors coming to Uhambo Lxolo hiking trail, a 8 kilometer trail which shares the unspoilt views of Mankazane Dam, Intlambo Yezikhumba, Bird watching and Illiwa Lerhini Caves all encapsulated with imposing history of the frontier wars. Raising the Ostriches and Fishing in 5 dams (with picnic sites) as part of the agricultural activities has become second nature to the people from this diverse village. Accommodation is provided by trained homestay owners and chalets are available. Ngqushwa Local Municipality is also home (hosts) of the famous Tshatsha: HIV/Aids related TV educational programme. It is through this programme that the community identified the need to explore home stays. They initially offered their homes to the crew and it grew from strength to strength based on that experience. Today these facilities are available in the Ndlambe, Pikoli Woodlands locations and other villages.

### 2.2.2 Demographic Profile

Ngqushwa Local Municipality has an estimated population of 66 227 (Stats SA: 2016 figures). Compared to the previous census figures before 2011 the number of Ngqushwa population has decreased by 8.1%. Table in 2.2. shows a summary of key statistics by gender from Stats SA (2016):

WARD	POPULATION BY WARD		
	MALE	FEMALE	TOTAL
1	2 593	2 962	5 555
2	2 899	3 166	6 065
3	2 658	2 902	5 560
4	2 789	3 041	5 830

5	2 798	3 167	5 965
6	2 531	2 812	5 343
7	2 543	2 847	5 390
8	2 323	2 688	5 011
9	2 322	2 574	4 896
10	2 658	3 120	5 778
11	2 180	2 603	4 783
12	2 827	3 224	6 051
<b>GRAND TOTAL</b>	<b>31 121 47% MALES</b>	<b>35 106 53% FEMALES</b>	<b>66 227 OVERALL</b>

Table: The latest figures according to Stats SA CS for 2016 is 66 227

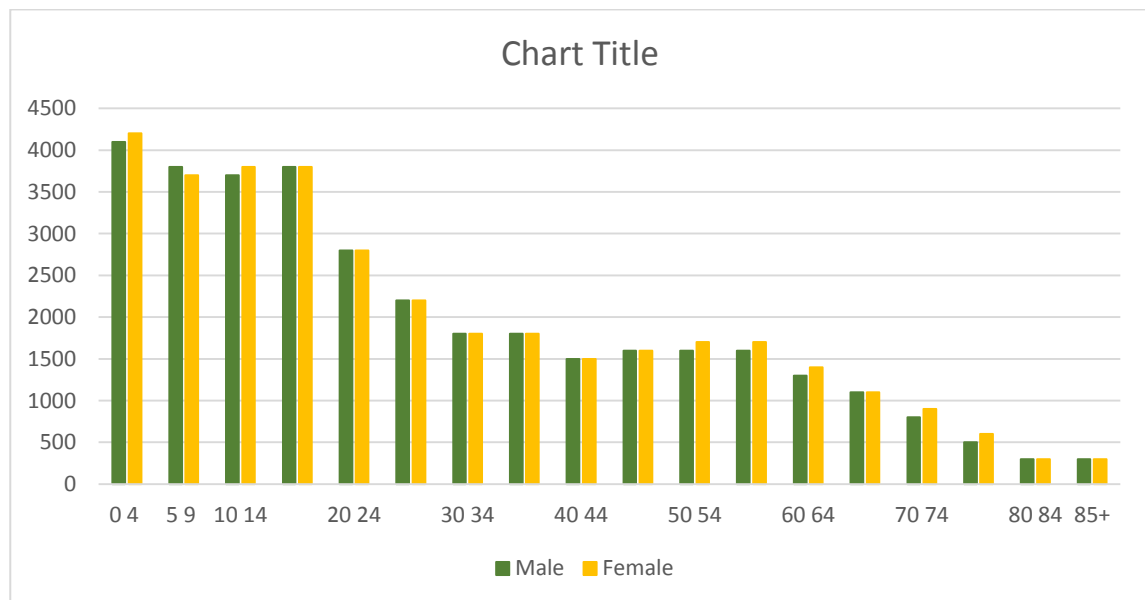


Figure : Indicates sex and age in completed years (Stats SA, 2016)

However, prior to the Wards been narrowed down to 12 wards, the above figures reflected a high dependency rate with numbers of children aged between 0 and 19 years, school going age estimated at 28 800 with approximately 14 899 being males and 13 901 females. On the other hand, the numbers of those who fall above the economically active population (above 60 years) are estimated at 11 675. Of those, approximately 7 260 are women and about 4 415 were men. This indicates that the total number of children, youth and elderly is 40 475 which accounts for about 56% of the total population which is very promising. This was very high and indicated that the municipality had to focus more efforts and funding towards children and youth development as well as caring for the

aged. There was a high rate of school drop outs as well as high unemployment rate (Stats SA, 2016). This further promoted the need to develop social and youth development programs, provision of basic services and vigorous job creation programs going forward towards 2022.

### 2.2.3. Households

Table below gives an overview of common statistics of Ngqushwa Local Municipality according the official census done by Stats SA, 2016 and 2011 prior to the narrowing of wards from 13 to 12.

Demographic profile of Ngqushwa Local Municipality		
	2016	2011
<b>Population</b>	66 227	72 190
<b>Age Structure</b>		
Population under 15	31.1%	29.9%
Population 15 to 64	60.8%	58.3%
Population over 65	8.1%	11.8%
<b>Dependency Ratio</b>		
Per 100 (15-64)	64.6	71.5
<b>Sex Ratio</b>		
Males per 100 females	88.9	88.7
<b>Population Growth</b>		
Per annum	-0.55%	n/a
<b>Education (aged 20 +)</b>		
No schooling	7.8%	14.1%
Matric	21.4%	14.5%
Higher education	5.3%	3.7%
<b>Household Dynamics</b>		
Households	17 149	19 471
Average household size	3.7	3.1
Female headed households	51.7%	51.0%
Formal dwellings	72.9%	71.6%
Housing owned	70.7%	80.9%
<b>Household Services</b>		

Flush toilet connected to sewerage	8.0%	5.0%
Weekly refuse removal	8.8%	7.2%
Piped water inside dwelling	7.2%	6.5%
Electricity for lighting	96.0%	91.4%

Table : Overview of common statistics of Ngqushwa Local Municipality prior to the narrowing of Wards from 13 to 12. Source: Stats SA (2016).

Sector	Number of people employed		Growth rate %
	2 010	2 015	(2010-2015)
Agriculture	234	346	48%
Mining	21	18	-14%
Manufacturing	147	146	-1%
Construction	5	7	40%
Electricity	464	691	49%
Trade	1 272	1 491	17%
Transport	144	178	24%
Finance	627	758	21%
Government	1 589	1 637	3%
Community	1 285	1 502	17%
<b>Total employment</b>	<b>5 788</b>	<b>6 774</b>	<b>17%</b>

Table: Sector employment in Ngqushwa: Growth rate (2010-2015)



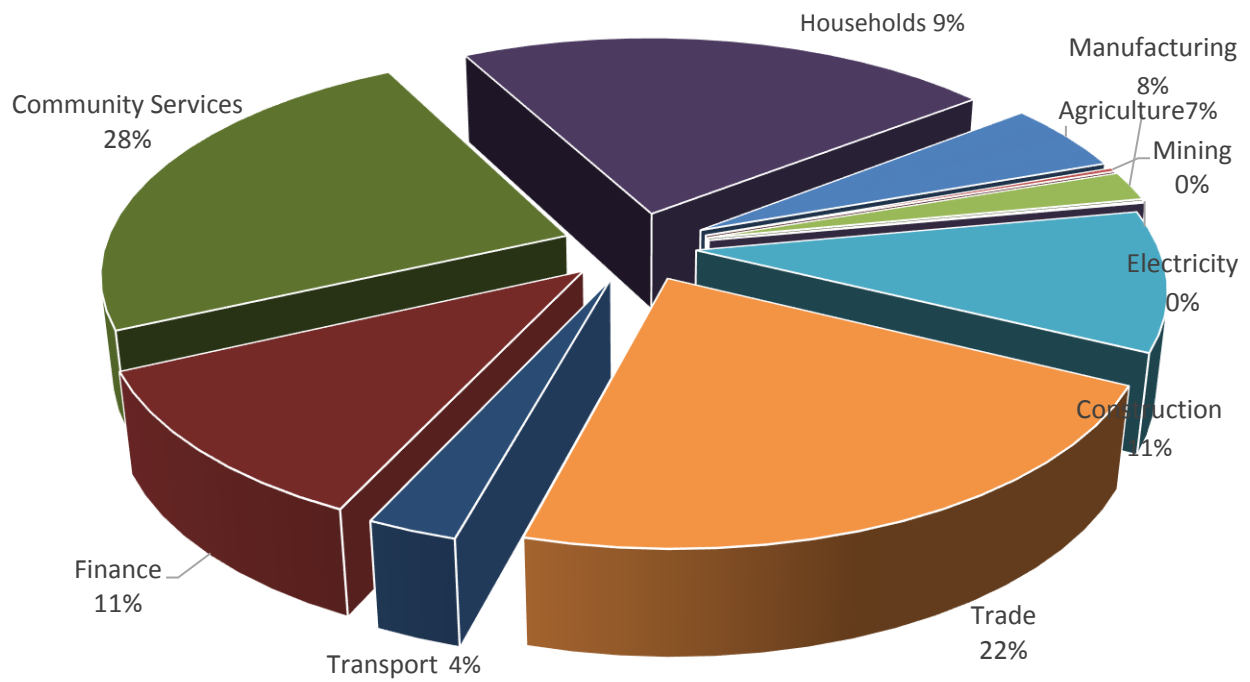


Figure : Sectors contribution to total employment Ngqushwa, 2017

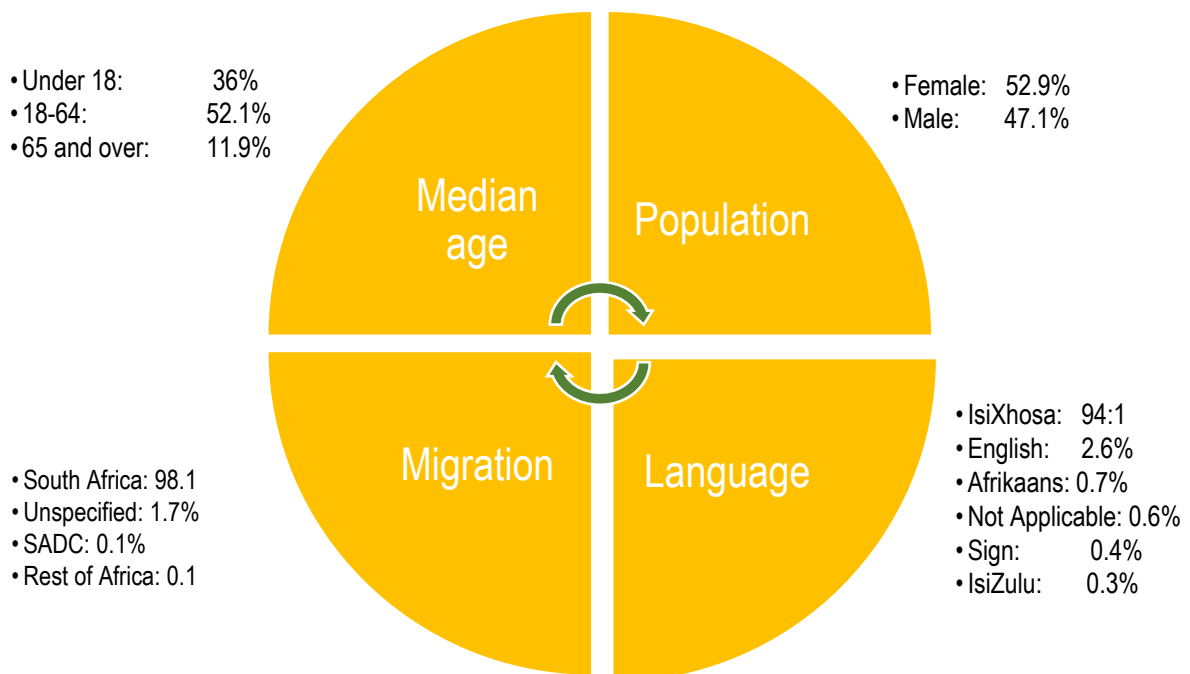


Figure : Demographics . Source: Census 2011

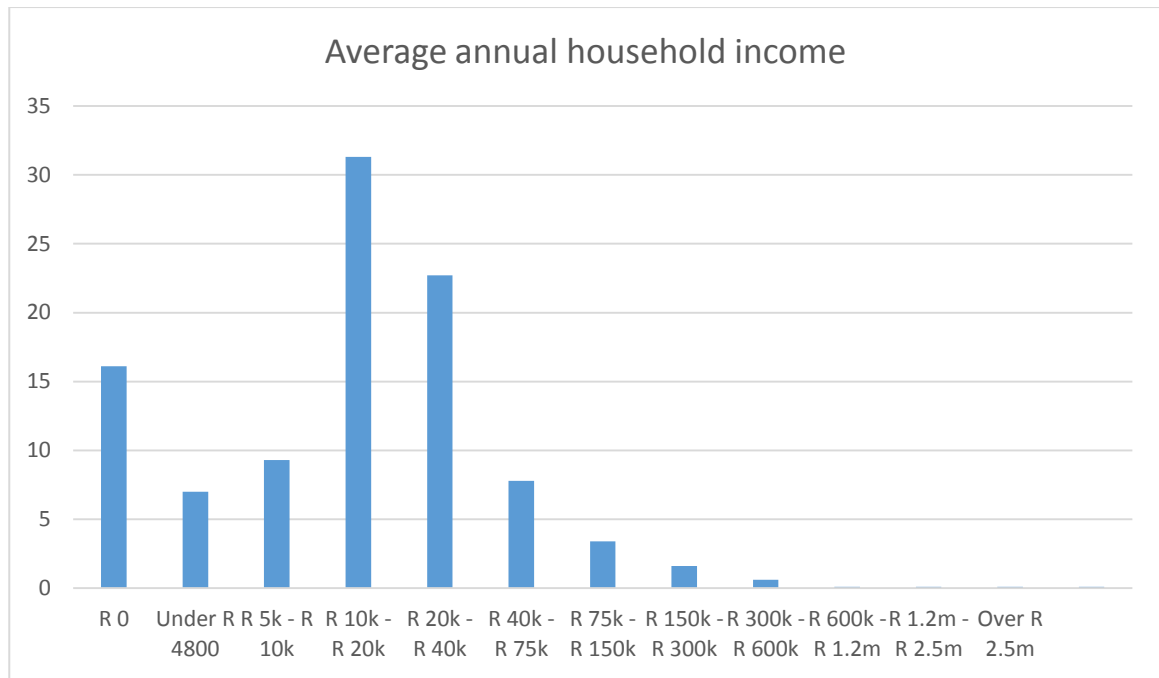


Figure : Annual Income

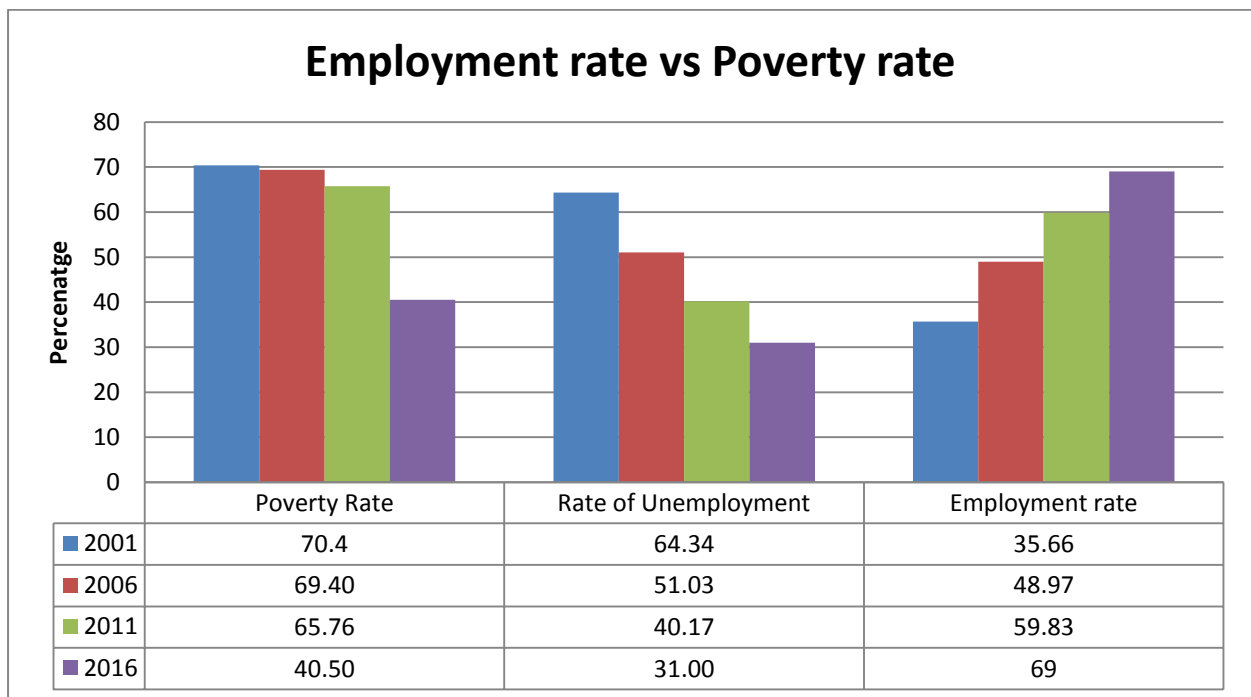


Figure : Employment rate vs Poverty Rate Source :STATS SA 2011 & (CS) 2016

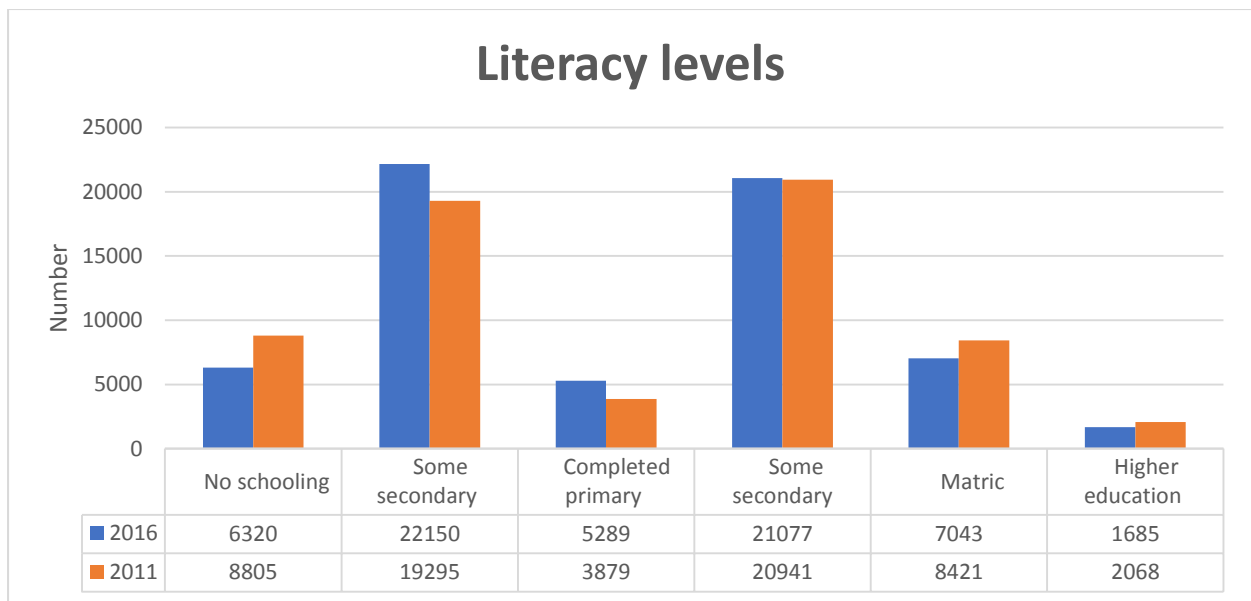


Figure : Literacy Levels Source: STATS SA 2011 & (CS) 2016

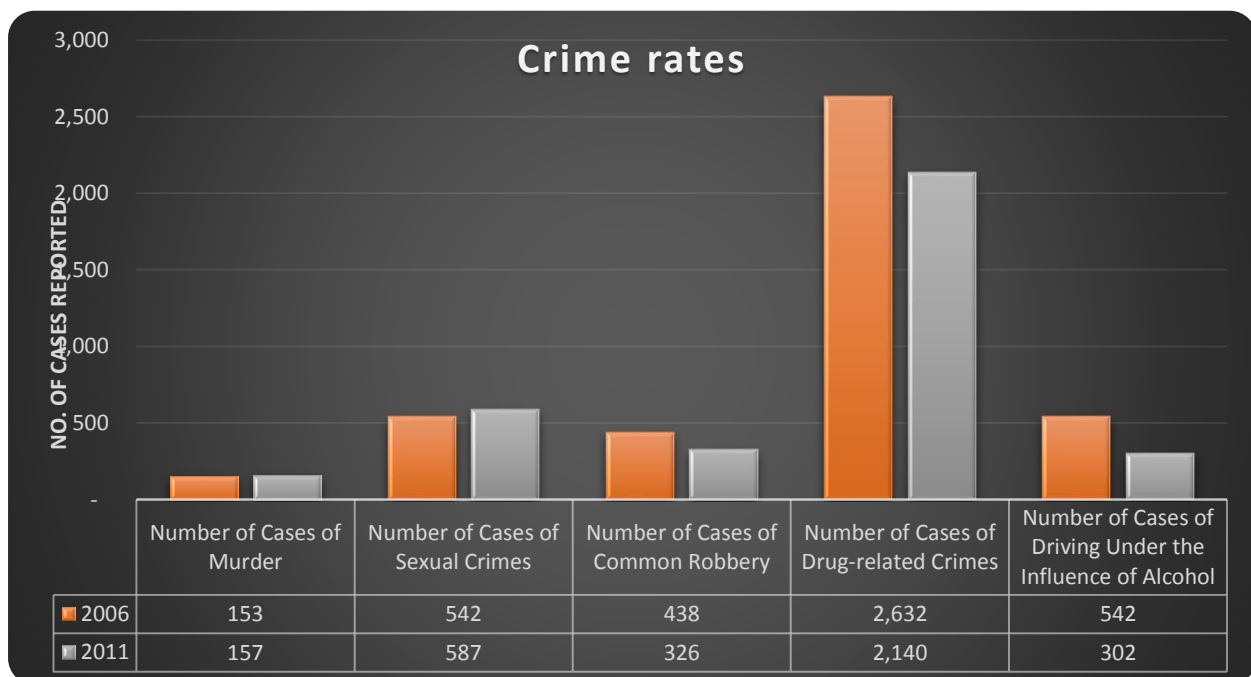
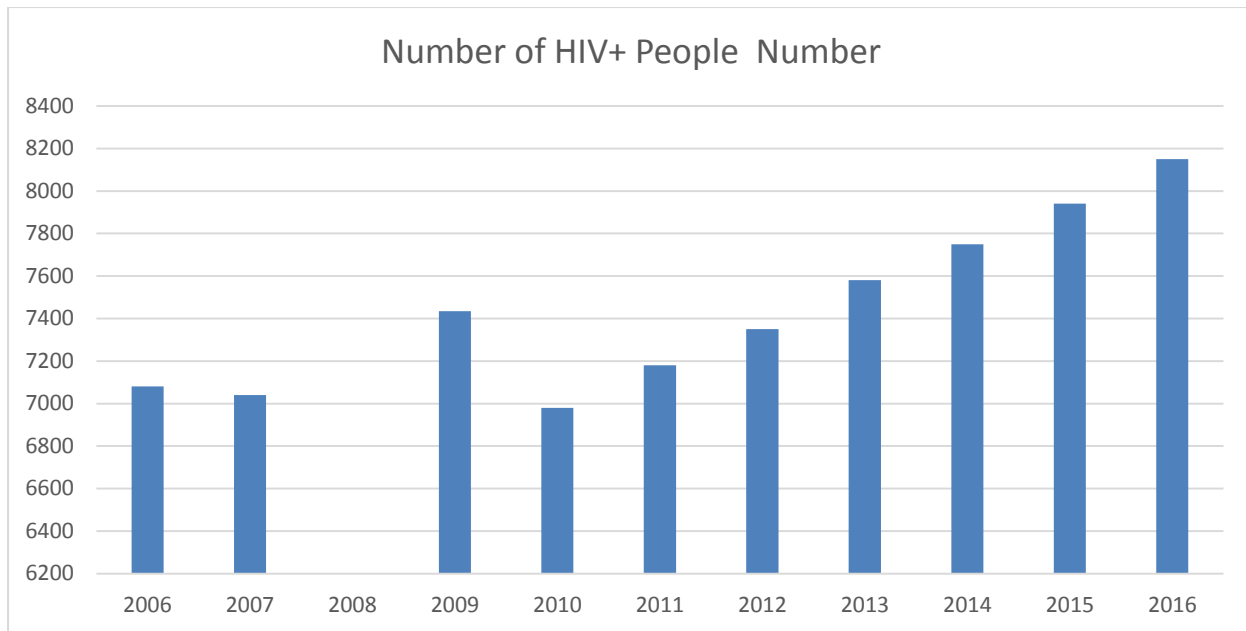


Figure : Crime rates



#### 2.2.4. Service Delivery Overview

During the later period of 2015 and early period of 2016, Ngqushwa Local Municipality , under Technical Services Directorate has done some commendable work. Due to the fact that Technical Services is service delivery related, the following was achieved. A total of 570 (Peddie Central phase 2, Peddie east and Peddie town extension) connections were done. Ngqushwa Local Municipality strived to ensure everybody in its jurisdiction of better roads and access to its properties. This is done through the road maintenance plans which was adopted by Council. A total of 48 km gravel roads were maintained through blading, re-gravelling and patching (tar roads). The challenges faced by the section are the status of District Roads that are under Public Works. An MOU had to be entered into by both parties, ensuring that everybody has access and better roads as enshrined in the Constitution. All the roads that were identified for 14/15 financial year were budgeted for. Public amenities such as community halls were then also constructed. A total of six community halls were constructed and only one community hall that was about 75% complete. The completed community halls are as follows: Mkhanyeni Community Hall, Feni Community Hall, Tsolo Community Hall, Nxopo Community Hall, Gwabeni Community Hall, under construction is the Runlets Community Hall. A total of 710 houses were also constructed during 12/13 financial year Challenges faced include vandalism as some of the beneficiaries are yet to claim their houses. Peddie 500 is also yet to be finished. Number of households with access to energy has however increased



since the financial year 12/13 from 80% to 91.4%. This was due to the number electrified during the financial year 13/14 where a total of 570 households were electrified. There was also an increase in the number of household having access to water provision (by ADM). The percentage has increased from 75% to 96.9% which is a 21.6% increase during the financial year 13/14. Sanitation has a slight increase from 89.6% to 95%. This increase is caused by the VIP toilets built/ provided and sanitation projects constructed. Amathole District Municipality has embarked in a front loading program to assist with the provision of sanitation to the communities. There is a minimum increase of waste collection from 45% to 50%. Even though there is an increase, it is still not acceptable. All basic service delivery activities have shown a steady improvement which supersedes all expectations, bar for the Waste collection. This indicates that there is a need to attend to these matters. Strategies and programs, however, need to be developed so as to improve the percentage and therefore bringing more services to the people.

Figure 2.10 above reflects decreasing poverty levels between 2001, being about 70% to 66% in 2011. Unemployment on the other hand also shows a decrease from 64% in 2011 to about 40% in 2011. The employment rate, however, was on the increase from 36% in 2001 to 60% in 2011 and is currently 68% in 2016.

Various Ward meetings cited poverty and unemployment as one of the major challenges. These meetings also suggested that government should provide more support to orphans and child-headed households going forward to 2022.

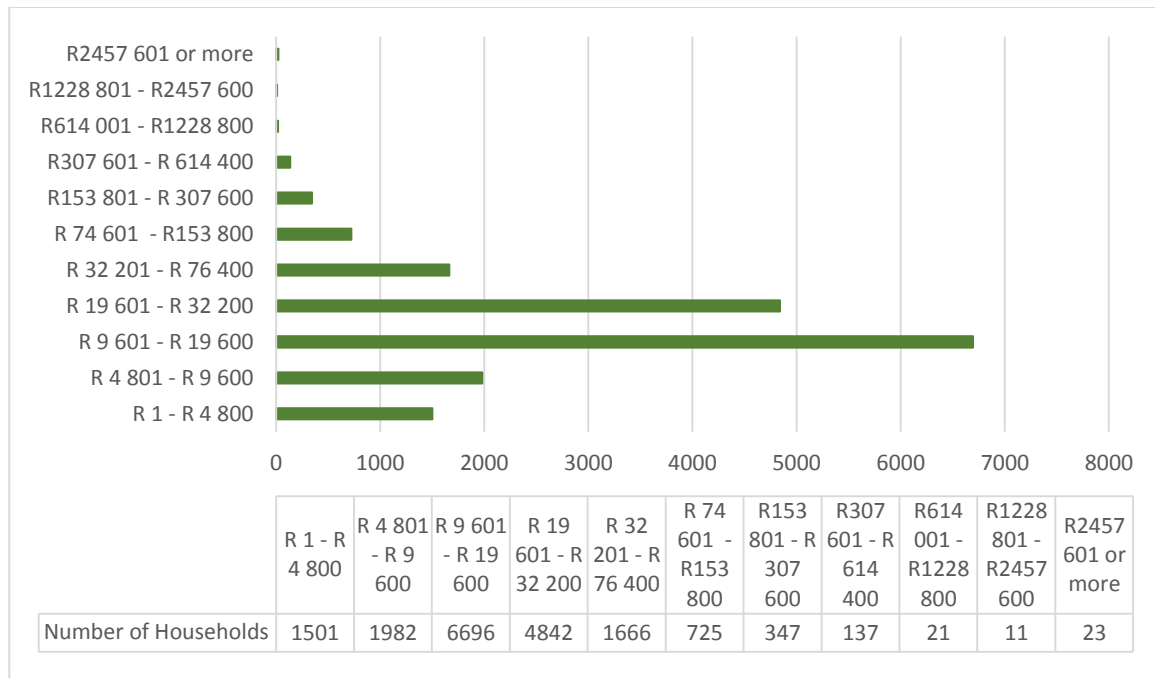


Figure : Household income. Source: Stats SA (Census 2011)

The above figure reflects the majority of households earning very low incomes. Statistics SA (2011) information shows the number of the employed households being 11 538 earning between R9 601 and R38 200 per annum. Ward meetings revealed that the majority of the population relies heavily on social grants. They raised that there is a need for projects to provide the community with food security. Proposals for skills development and provision of institutions of higher learning that will ensure improvement of the labour force also came up strongly from the wards. Ngqushwa Local Municipality will do its best towards establishing the Ngqushwa Local Municipality Training Academy with urgency.

The Department of Social Development and Special Programs is engaged and has funded a number of projects ranging from vegetable, livestock & poultry farming, sewing etc. The majority of these projects are active and have challenges related to shortage of funding, skills and infrastructure like water, electricity, fencing, medication etc.

NATURAL RESOURCES	
MAJOR NATURAL RESOURCES	RELEVANCE TO COMMUNITY
Mining sand and lime	Construction
Vegetation: aloe	Harvesting, processing and production
Ocean and dams	Water accessibility

Table: Service Delivery Overview



## **2.3. NGQUSHWA LOCAL MUNICIPAL GRAND STRATEGY**

### **2.3.1. Vision**

To be the preferred, vibrant, socio-economically developed municipal area that embraces a culture of human dignity, good governance and characterised by good quality of service for all.

### **2.3.2. Mission Statement**

Ngqushwa Local Municipality will strive to become a benchmark institution in the country in respect of good quality and affordable services, through effective resource mobilisation and management, stimulation of economic growth, and good governance practices.

#### **4.3.2.1 Municipal core values/standards**

Linked to the mission, the municipality identified the following core values to be adhered to by the Councillors, management and the officials of the Municipality for all the interactions with customers:

- Competency: We commit to attract and retain a competent workforce to service our customers.
- Honesty and Integrity: We will demonstrate complete honesty and integrity in everything we do.
- Diligence: We will demonstrate caution, commitment and due diligence in discharging our duties.
- Transparency: We will be transparent and fair in all our dealings for utmost accountability.
- Accountability: We will create an environment to be held to account by our stakeholders and customers.
- Professionalism: We will always uphold and maintain a professional behaviour in executing our mandate and individual
- Responsibilities for the furtherance of service delivery.

- Value for Money: We commit derive value for money as return on investment in all business engagements with service providers.

## 2.4. LOCALITY

### 2.4.1. Regional Context

The Amathole District Municipality occupies the coastal region of the Eastern Cape Province. The District Municipality is bordered by the Eastern Cape Districts of Cacadu, Chris Hani and O R Tambo and the Buffalo City Metropolitan Municipality and includes all former administrative areas of the Eastern Cape, namely the former Transkei and Ciskei homeland areas as well as former Cape Provincial areas.

The Amathole District Municipality consists of six local municipalities, namely Nxuba Local Municipality, Amahlathi Local Municipality, Nkonkobe Local Municipality, Ngqushwa Local Municipality, Great Kei Local Municipality, Mnquma Local Municipality and Mbhashe Local Municipality.

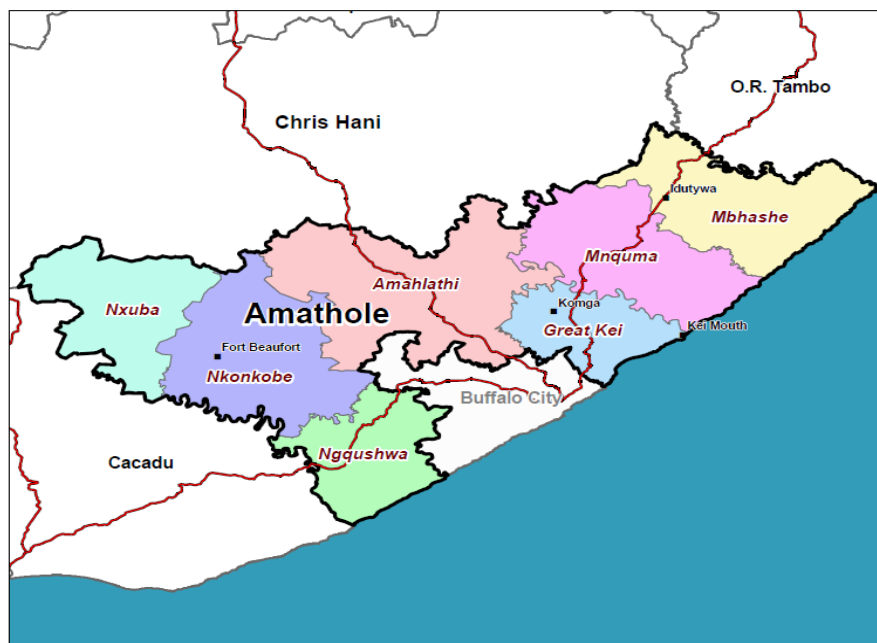


Figure : Regional Locality

## 2.4.2 Municipal Context

Ngqushwa Local Municipality is approximately 2245 km<sup>2</sup> in extent and comprises two major urban areas i.e. Peddie and Hamburg. Ngqushwa Local Municipality is traversed by both the National N2 to the North and the R 72 to the South. Both the N2 and the R72 are routes which connect the towns to the entire Eastern Cape; as well as the central and western part of the Eastern Cape, respectively. The study area is bordered by Buffalo City Metropolitan Municipality to the North East, Nkonkobe Local Municipality to the North-West; and Makana Local Municipality and Ndlambe Local Municipality to the South-West. The Ngqushwa Local Municipality consists of 12 wards and 108 rural villages.

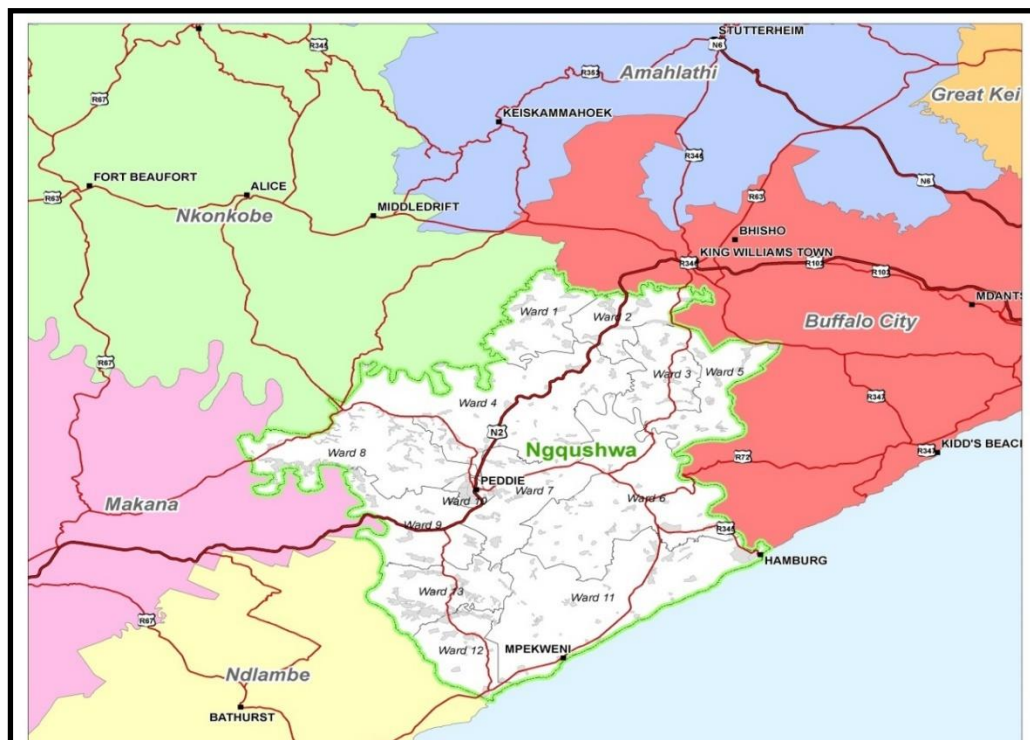


Figure : Locality Plan. Source: Thani

The towns of Peddie and Hamburg are identified as the Major Service Centres to the Local Municipal Area. In the town of Peddie itself, all business related activities and services are limited to the “Central Business District (CBD) Area.” Located in a relatively remote area is the town of Hamburg, 44km from Peddie, along the Coast of the Ngqushwa Local Municipality. However, it has strong linkages with Peddie, East London, Port Alfred, Port Elizabeth and King William’s Town, which are major suppliers of consumer goods to Hamburg. The town of Hamburg was primarily a holiday

destination, even though development has been stagnant. Farms are mainly found along the coast and include the town of Hamburg. (Figure 2.15: Locality Plan).

### 2.4.3. Ngqushwa Local Municipality Alignment with Provincial Spatial Development Plan (PSDP)

This Eastern Cape Provincial Spatial Development Plan (ECPSPD) Review has been undertaken in the form of spatial themes connected to the Provincial Growth and Development Plan (PGDP) pillars, so as to facilitate alignment between the goals of that Plan and the Provincial Spatial Development Plan (PSDP), in terms of various spatial development frameworks and institutional proposals. The strategic focus of the PGDP was centred on poverty alleviation and the areas having the greatest impact on changing the social and economic structure are education, agriculture and industry, complimented by social protection measures such as social grants, access to water, sanitation, housing and public health. The ECPSPD supported the various programs of the PGDP by providing spatial guidelines to achieving co-ordinated investment of public resources to achieve the greatest impact possible in agreed shared impact areas.

A Poverty Free Eastern Cape PGDP REVISED PILLARS				
Social Protection and Basic Service Delivery	Agrarian Transformation & Rural Development	Human Resource Development and Education	Infrastructure	Manufacturing Diversification
<u>KPAs</u>	<u>KPAs</u>	<u>KPAs</u>	<u>KPAs</u>	<u>KPAs</u>
<ul style="list-style-type: none"> <li>• Income Security</li> <li>• Municipal Services</li> <li>• Housing</li> <li>• Comprehensive healthcare</li> <li>• Expand EPWP towards sustainability</li> <li>• Community safety</li> <li>• Gender based violence</li> <li>• Nutrition</li> </ul>	<ul style="list-style-type: none"> <li>• Land Reform (redistribution, redress, tenure, land use)</li> <li>• Area based planning</li> <li>• Food security</li> <li>• Agricultural infrastructure</li> <li>• Agro processing</li> <li>• Institution building</li> </ul>	<ul style="list-style-type: none"> <li>• HRD plan</li> <li>• ECD</li> <li>• Improve access, throughput and quality of GET education band</li> <li>• Improve quality and status of FET</li> <li>• ABET and literacy</li> <li>• Public service (provincial and local)</li> </ul>	<ul style="list-style-type: none"> <li>• Integrated infrastructure plan</li> <li>• Establish project preparation fund</li> <li>• Infrastructure finance strategy</li> <li>• Strengthen state capacity</li> <li>• Technical support centre</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial Development</li> <li>• Development finance</li> <li>• Tourism Development</li> <li>• Local Economic Development</li> <li>• Cooperatives development</li> <li>• Innovation and R+D</li> <li>• Institutional building and reconfiguration</li> </ul>

	skills and training	
<b>Public Sector and Institutional Transformation</b>		
<b><u>KPAs</u></b>		
<ul style="list-style-type: none"> <li>• Institutional arrangements for PGDP</li> <li>• Improved research and M&amp;E</li> <li>• Stakeholder participation and coordination</li> </ul>	<ul style="list-style-type: none"> <li>• Central Planning</li> <li>• Strategic repositioning of Local Government</li> <li>• Organisational/Institutional gearing</li> </ul>	

Table: PGDP Revised Pillars

The Provincial Growth and Development Plan (PGDP) pillars, were to facilitate alignment between the goals of such Plan and the ECPSDP. These goals or ‘pillars’ involve Environmental, Social Development and Human Settlements, Rural Development, Infrastructure, Socio Demographic and Economic Situation, Human Resources; and Governance. The NGQUSHWA LOCAL MUNICIPALITY SDF was prepared in the form of spatial themes so as to facilitate alignment between the goals of the ECPSDP, in terms of various spatial development frameworks and institutional proposals.

Spatial Development Framework Plan	
1	Social: Social Protection & Basic Service Delivery
2	Rural Development: Agrarian Transformation & Rural Development
3	Infrastructure
4	Environment
5	Economic Development: Manufacturing Diversification
6	Human Resources: Human Resource Development & Education
7	Governance: Public Sector & Institutional Transformation

Table: Spatial Development Framework Plan

Spatial Development Framework Plans are therefore Integrated Spatial Development Plans (ISDPs) linked to IDPs and Sectorial Programs, providing multi-sectorial development management at different levels of detail across each municipality, in accordance with the requirements of each municipality, sector department, agency, parastatal, traditional authority and community. In an ideal situation, the IDP is the overall plan with all PGDP pillars/frameworks/sector plans feeding into it, and the SDF gives spatial dimension to each framework. (ECPSDP, 2010).

## 2.5. SITUATION ANALYSIS IN TERMS OF KEY ISSUES

### 2.5.1. Social Analysis of Ngqushwa Local Municipality as of December 2016

- The official unemployment rate of 68% at Ngqushwa Local Municipality is very high
- 41% of people in the Ngqushwa Local Municipality area have no means of income
- Targeted clinics need to offer a greater level of service, especially as the hospital in Peddie is far from outer lying areas
- Education facilities do not have adequate infrastructure capacity
- There are no “further education” and “training facilities”, and ICT centres within the municipal area
- There is a lack of social housing supporting the middle class income group
- There is limited tourism marketing happening
- There is a lack of proper tourism signage
- Limited community-based tourism
- Tourism sites not well maintained and needs to be upgraded
- There is a lack of tourism facilities such as banks, etc.
- There is a lack of proper road infrastructure
- The Local Visitors Information Centre is not along a major route
- There is a lack of activity and linkages between municipalities
- There is a lack of adequate facilities for traders with trading equipment
- There is a lack of recreational facilities along major rout
- Social Infrastructure within Ngqushwa Local Municipality is limited, with the majority of facilities being located within the town of Peddie. However, the existing poor condition of some of the facilities were highlighted as an issue. An assessment in terms of the CSIR Human Settlement Guidelines, from the facilities available in the Municipal area.

Table: Social Analysis of Ngqushwa Local Municipality prior to 12 wards Stats



FACILITY	ESTIMATED MINIMUM POPULATION	RADIUS
Crèche	5 000	1km
Primary School	3 000 - 4 000	1,5km
High School	6 000 – 10 000	2,25km
Clinic	5 000	2km
Post Offices	11 000	2km
Police Stations	25 000	1,5km
Library	5 000 – 50 000	2,25km
Municipal Offices	50 000	2,5km

Table: Social Facilities Development (Tahini, 2014)

- Crèches - The chart below indicates the spatial spread of crèches within the Ngqushwa Local Municipality area. A 1km radius indicates the access distance for a crèche in terms of the Human Settlement Planning and Design (CSIR Guidelines). According to the threshold of the CSIR Guidelines one crèche should serve at least a 1000 people;



Figure : Crèche Coverage prior to 12 wards Stats

WARD NO	EXISTING	POPULATION	SHORTAGE
Ward 1	7	5534	None
Ward 2	3	5941	Yes
Ward 3	3	5814	Yes
Ward 4	3	5557	None
Ward 5	4	6042	Yes
Ward 6	4	5321	Yes
Ward 7	6	6020	None
Ward 8	4	5375	Yes
Ward 9	5	4871	None
Ward 10	2	4891	Yes
Ward 11	5	5822	Yes
Ward 12	5	4686	Yes

Table: Crèche Coverage prior to 12 wards Stats

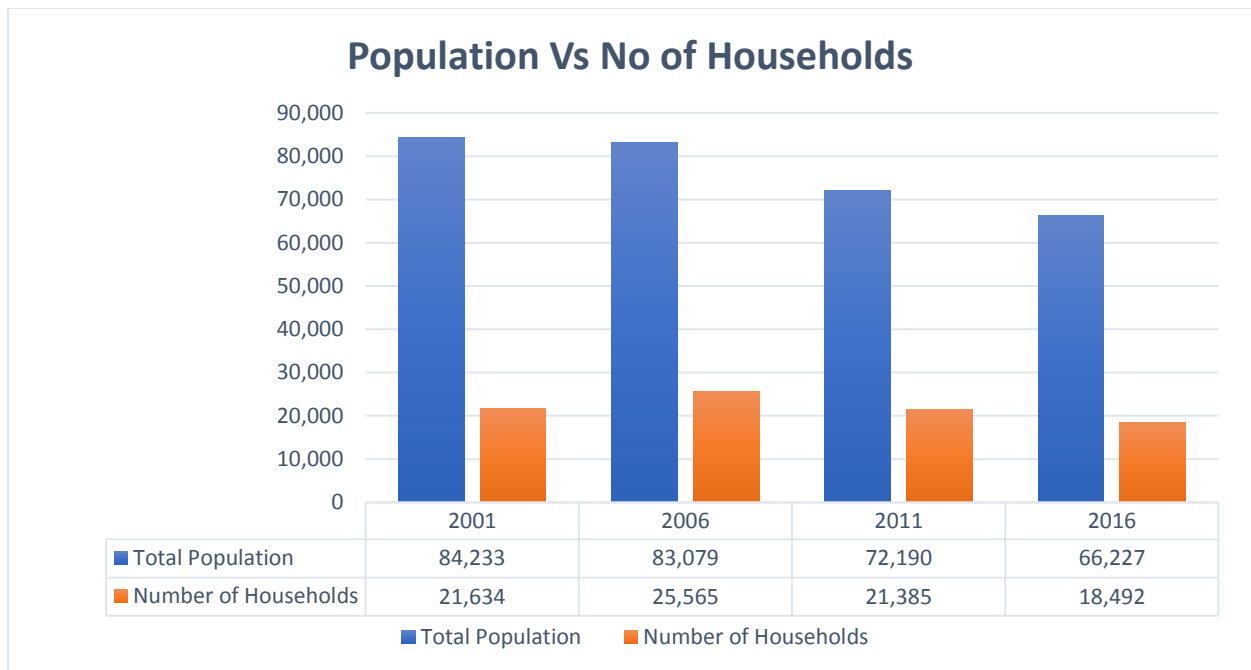


Figure: Population vs n of Households. Source: STATS SA 2011 & (CS) 2016

- Primary Schools - The chart below indicates the spatial spread of the Primary Schools within the municipal area. A 1,5km radius indicates the access distance for a Primary School in terms of the Human Settlement Planning and Design (CSIR) Guidelines;

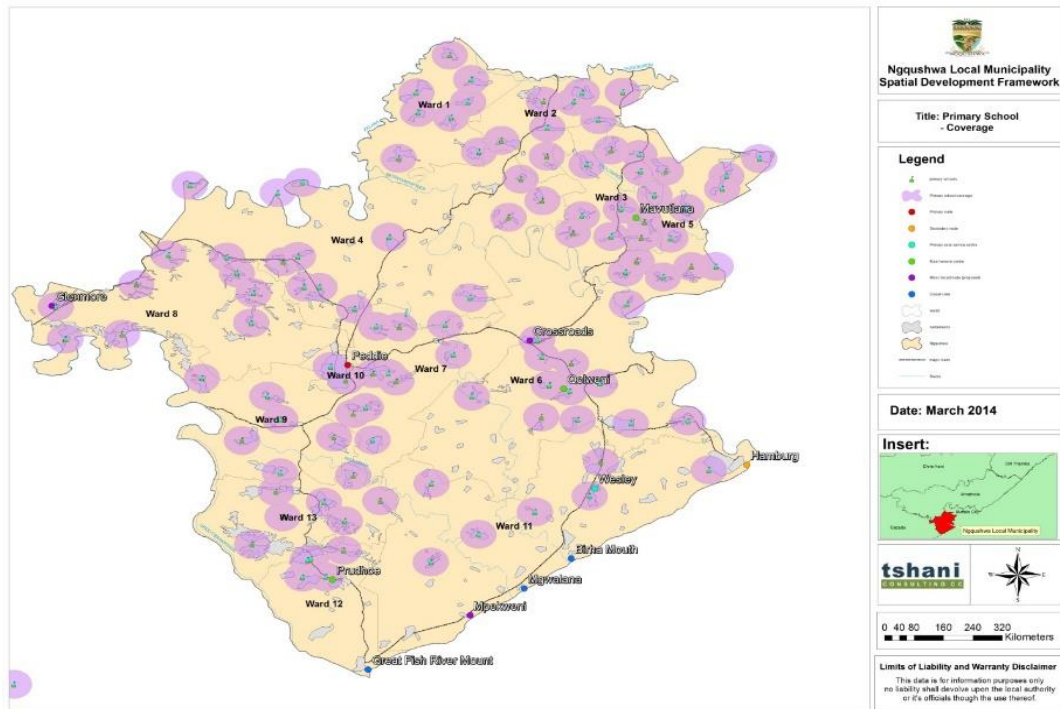


Figure : Primary School Coverage

WARD NO	EXISTING	POPULATION	SHORTAGE
Ward 1	7	5534	None
Ward 2	9	5941	None
Ward 3	11	5814	None
Ward 4	13	5557	None
Ward 5	11	6042	None
Ward 6	11	5321	None
Ward 7	9	6020	None
Ward 8	11	5375	None
Ward 9	6	4871	None
Ward 10	4	4891	None
Ward 11	7	5822	None
Ward 12	4	4686	None

Table: Primary School Coverage of the 12 Wards Stats

- Secondary Schools - The chart below indicates the spatial spread of the Secondary Schools in the municipal area. A 2.25km radius indicates the access distance for a Secondary School in terms of the Human Settlement Planning and Design (CSIR Guidelines). With reference to the table 2.3 it demonstrates that the Secondary School provision for Ngqushwa Local Municipality area is sufficient although the quality of the buildings needs to be upgraded;

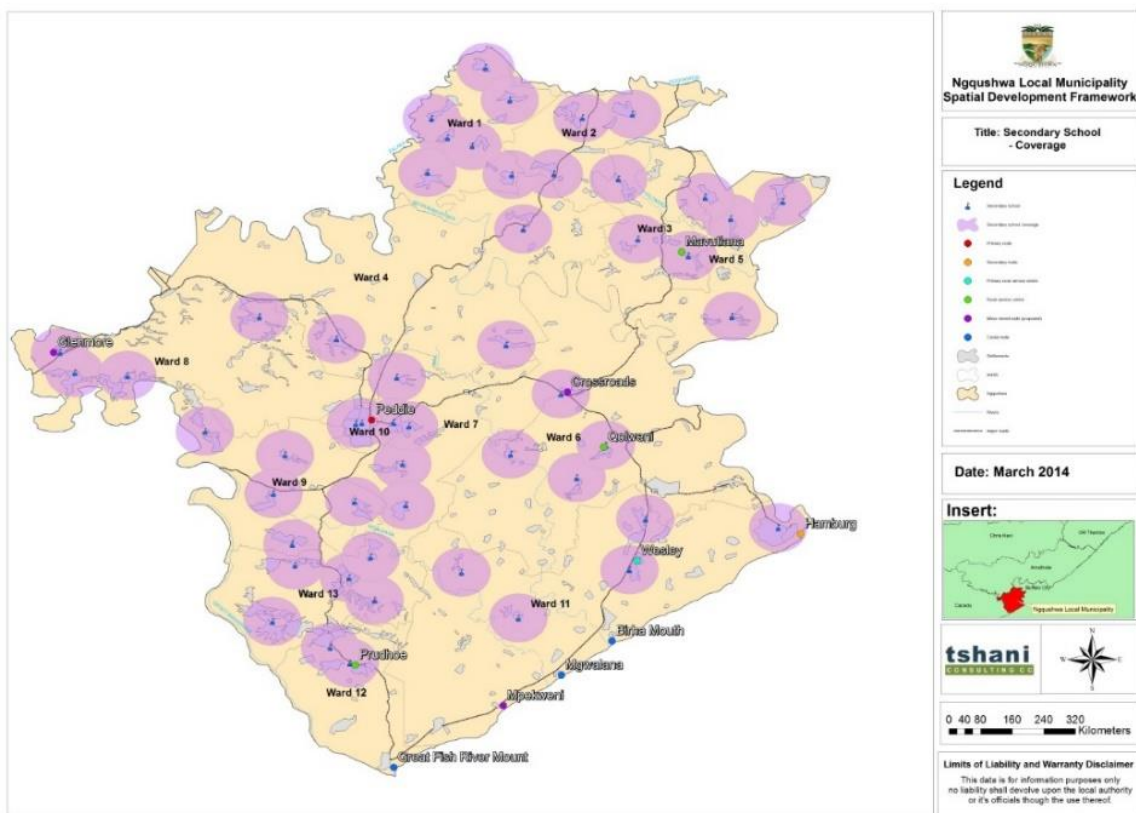


Figure: Secondary School Coverage prior to 12 Wards Stats

WARD NO	EXISTING	POPULATION	SHORTAGE
Ward 1	7	5534	None
Ward 2	3	5941	None
Ward 3	3	5814	None
Ward 4	3	5557	None



Ward 5	4	6042	None
Ward 6	4	5321	None
Ward 7	6	6020	None
Ward 8	4	5375	None
Ward 9	5	4871	None
Ward 10	2	4891	None
Ward 11	5	5822	None
Ward 12	5	4686	None

Table: Secondary School Coverage of 12 Wards Stats

- Health Facilities - The chart below indicates the spatial spread of health facilities within the municipal area. A 2km radius indicates the access distance to the Health Facilities in terms of the Human Settlement Planning and Design (CSIR Guidelines). According to the threshold of the CSIR Guidelines one clinic should serve at least a 5 000 people;

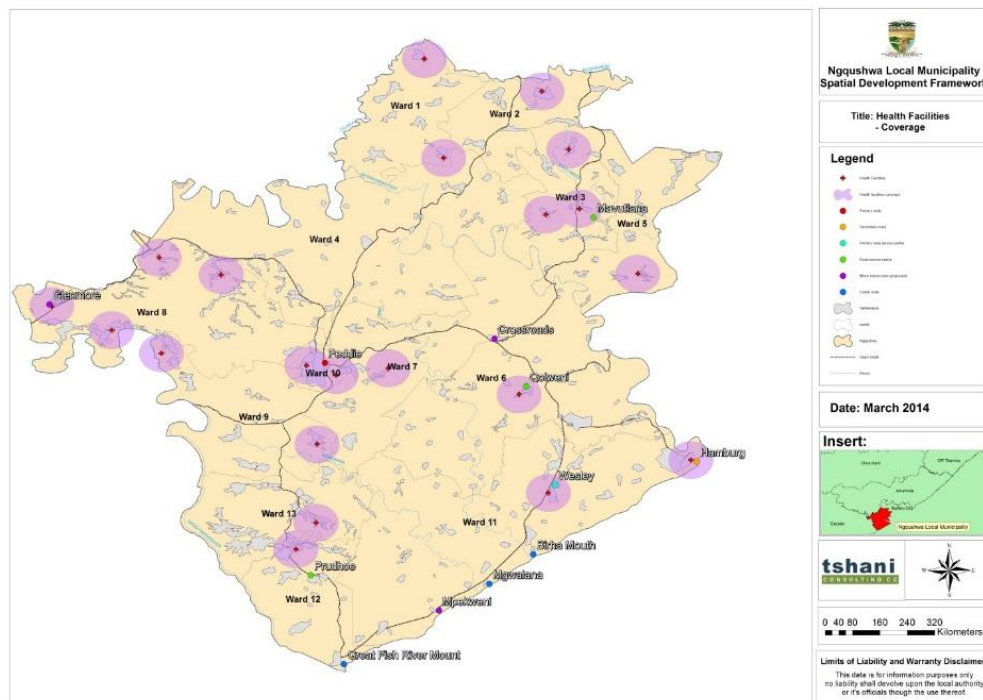


Figure : Health Facilities of the 12 Wards Stats



- Post Offices - The plan above indicates the location of the two Post Offices in the municipal area. A 2km radius indicates access distance for a Post Office in terms of the Human Settlement Planning and Design (CSIR Guidelines). The Post Office service is insufficient for the population of the municipality , as a Post Office should serve a population of at least 11 000 people;

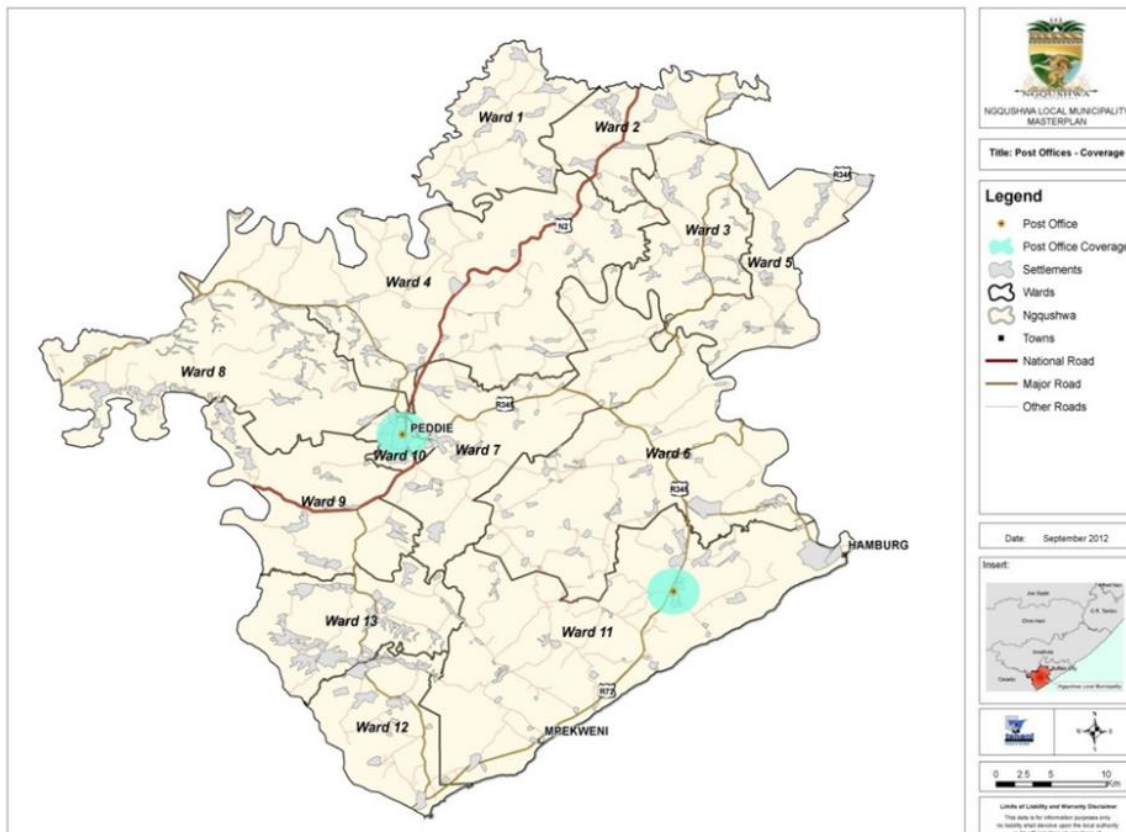


Figure : Post Office Coverage prior of the 12 Wards Stats

- Police Station - The below above indicates the location of Police Stations in the municipal area. A 1.5km radius indicates access distance for a Police Station in terms of the Human Settlement Planning and Design (CSIR) Guidelines. The Police Station service is insufficient for the population of the municipality , as a Police Station should serve a population of at least 25 000 people. The police stations are scattered and road access is poor. It is proposed that road access to these services be upgraded.

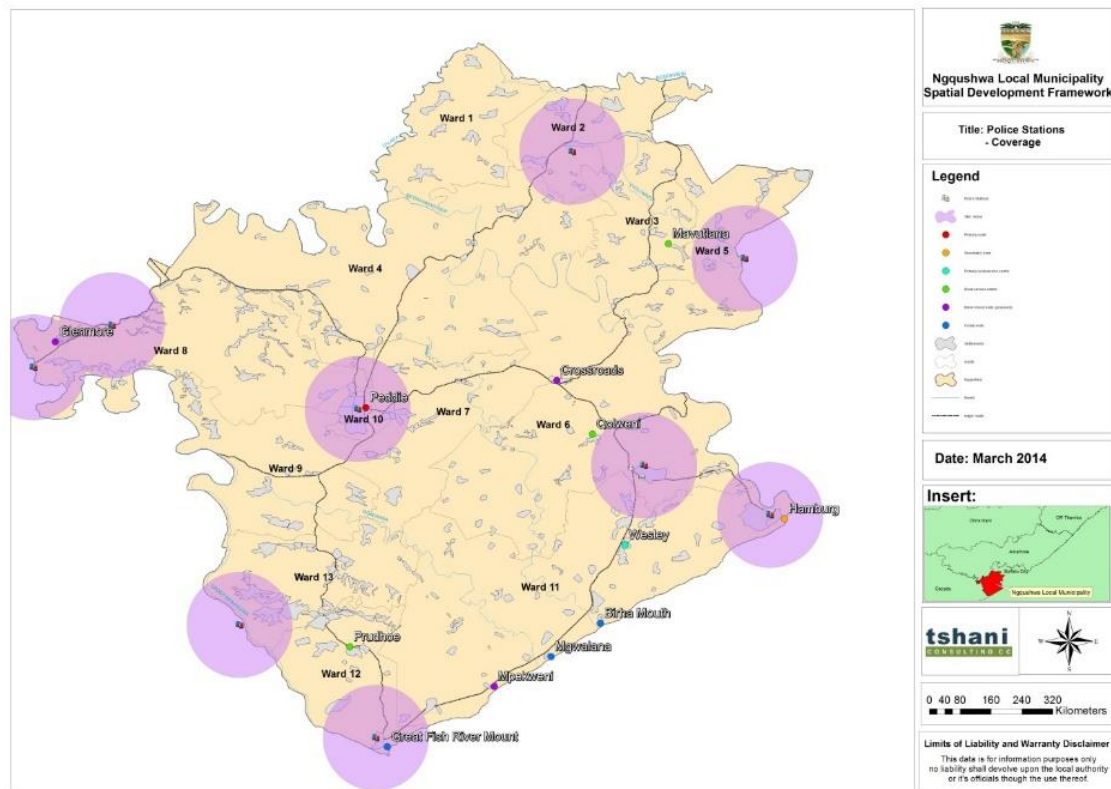


Figure : Police Station of the 12 Wards Stats

## 2.5.2. Rural Developmental Analysis of Ngqushwa Local Municipality

- The release of 5800 low cost housing as promised by former Minister Sisulu needs to be implemented stating 2017;
- The release of land is slow and problematic, due to lack of capacity to resolve land issues;
- Different and changing legislation guiding development. (LURA, DFA, LETTEA, IPILRA), even though SPLUMA is currently in the process of being implemented.
- Low density and urban sprawl;
- The large amount of unresolved land claims within the municipality , (approximately 169);
- Depletion of natural resources and valuable land;
- Settlements is spatially dispersed and fragmented, making the provision of and access to services difficult to manage;
- Natural and human activities have led to the transformation of some portions of the municipal area into complex ecological problems that have a negative impact on the local economic development;

- The overall land uses within the municipal area consist of nodal areas, coastal areas, rural settlements, agricultural areas game reserve, rivers and dams;
- Ownership in the urban area is mainly vested within the Municipality and the Department of Public Works also owns various properties in Peddie. These have to be negotiated to be leased out to the municipality or the Department of Public Works must join hands with the municipality to renovate and develop these building for economic use;
- Land in the rural areas is primarily owned by the state. As a result, the process of releasing land is very slow and has been reported to be very problematic. The need to convert the tenure of large tracts of state owned land to communal ownership was therefore identified by the Ngqushwa Local Municipality. Whether implementation of this proposal has been undertaken is not certain;
- Although 'communal' land is held in trusts by the Minister of Rural Development and Land Reform and formerly registered in the name of the state, it is occupied by individual members of the respective communities under Permission to Occupy (PTO) and/or customary tenure commonly referred to as beneficial occupation rights. Communal areas are governed by a series of proclamations such as Proclamation 174 of 1921, Proclamation 26 of 1936 (commonly known as PTO or Permission to Occupy legislation);
- Individual's rights on the land are protected in terms of the Interim Protection of Informal Land Rights Act, Act No. 31 of 1996 also known as IPILRA. It is expected that a new comprehensive tenure reform legislation will provide for the transfer of land from the state to the communities;
- Approximately 119 land claims have been lodged by the Land Claims commission (LCC) in Ngqushwa during 2014/2015. These are mainly on farms located along the coast, in areas such as Birha, Hamburg and Mpekweni. Although land is a basic need, ownership is still a problem, particularly in rural areas where tenure systems are not conducive to ownership, for example Permission to Occupy (PTO) Freehold and Quitrent. The land administration system is generally a problem with uncertainty on the responsibilities between different authorities of the Department of Agriculture, Magistrates offices and payment of some dues to some headmen or Chiefs;

- The municipality together with Department of Land Affairs needs to speed up the process of solving land issues, because unresolved land issues is the main bottleneck that prevent development from taking place within the municipal area;
- Agriculture is the sector with the largest economic potential. It is alarming however, that the agricultural industry is nowhere near its development potential. This has serious long-term implications in terms of natural resource degradation through soil erosion, vegetation damage and alien invasive plants;
- The two areas, namely Local Economic Development and Commercial Agriculture, are the areas where the least number of people are going to be affected, but will impact more in terms of the economics of the area;
- Important issues to be resolve in order to impact on growth is to resolve issues around land claims, title transfer and state-owned land;
- Unresolved land issues put strain on agriculture in terms of infrastructure development, conservation and maintenance of natural resources. Strain is also put on the ability to use the properties as collateral for the sourcing of funding for the development and production of enterprises. Partnerships and lease agreements are also limited by ownership;
- The Strategy Intervention identified areas of importance. The following areas of agriculture need to be considered in terms of intervention, namely: Poverty Alleviation; Social Welfare; Local Economic Development; and Commercial;
- Potential of the area: Beef & Goats; Citrus/Pomegranate/Avocado; Vegetable/Lucerne/Maize; Ostrich; Sweet Chilly Peppers; Paprika/Tomatoes; Chicory; Pineapples; and Small scale – Poultry/Pig/Beef/Vegetables.
- Short Term industries: Beef & Goats; Ostrich; Citrus; Pomegranates; Avocado;
- Longer term interventions: the development of a chicory enterprise and the further development of the Irrigation Schemes; the pineapple industry needs to be further investigated to determine the long-term viability and potential of developing the industry further;
- The following are a list of fruit that can be grown within the Ngqushwa Local Municipality : Orange (easy peeler); Pomegranates; Lemon; and Avocado Pear;
- The citrus industry within the Ngqushwa Local Municipality is relatively small in comparison to the greater Eastern Cape Industry, as well as to the more localised Bedford, Fort Beaufort, Peddie and Alice Industry, but it can make significant

inroads into providing not only employment opportunities, but inroads into the economy of the Ngqushwa Municipality. There is potential for expansion in areas of both the Keiskamma River and the Tyefu Irrigation Scheme;

- The industry must not be seen in isolation from the greater Eastern Cape industry, and role players and stakeholders need to be brought together through a Local Citrus Forum in terms of developing the industry. The Industry must not only see Citrus as the only industry, but must link in with other fruit opportunities such as Pomegranates and Avocado Pears;
- In terms of oranges the best location is in the Lower Keiskamma River. Lower Keiskammahoek has some 108 ha's of Citrus production with the potential to expand this to 162ha's;
- There are two pomegranate producers on state-owned land alongside the Fish River, which are one of the largest plantings in South Africa. Producers draw water from the Glenmore dam, originating from the Orange Fish River Irrigation Scheme;
- The packshed expansion plans for the region as a whole must cater for this increased production. The Dwayana community has included fruit production in the Farm Development Plan. This development expanded production from 200 ha in 2011 to 300 ha in 2014. Growth in volumes over the next 5 years will mainly be in pomegranate production;
- Generally, at present, the chicory market has been flooded by imports of low-cost chicory from India. This has forced Chicory SA to limit the production to long-term suppliers, due to the excess in stock that they have;
- Chicory SA assisted a number of farmers to plant chicory. A number of limitations were experienced such as lack of adequate machinery and management inputs. Chicory SA has subsequently purchased their own equipment and will be prepared to sub-contract for the planting once they have reduced their stockpiles;
- All roasted chicory produced in South Africa is cultivated within a 200 km radius of the town of Alexandria in the Ndlambe Local Municipality. Chicory SA, located in Alexandria, is the only processor of chicory in South Africa with the processing plant being operational for over 50 years;
- The production of chicory is thus limited in the Ngqushwa Local Municipality to mainly the areas close to the coast where rainfall exceeds 500 mm per annum and temperature variations are not great particularly during night and day;



- Pineapple production has historically occurred along the coastal belt between Bathurst in the west and East London in the east; and dates back to the First World War, when local farmers took advantage of ideal growing conditions and rising demand for canned pineapples in Britain and Europe. The most successful pineapple estates are located in the Bathurst area, where commercial profits have been reinvested in production over an extended period of time;
- The production of pineapples is not optimally suited to the Eastern Cape Coast Line due to the longer periods required for production than the more ideal climates in the more sub-tropical areas. This has resulted in the pineapple industry having downsized over the years due to reductions in profitability;
- PineCo is a pineapple-farming venture in the lower Peddie district. It is located on state farms that used to be farmed by the Ciskei Agricultural Corporation - ULIMICOR. Somewhere between 2000 and 3000 ha of land are being leased from the State by the company;
- The Pineapple Association is an association of commercial pineapple farmers that has agreed to provide technical expertise to the project. The project was initiated by community groups;
- A number of Irrigation Schemes were previously developed by the previous Ciskei Government in the late 1970's to early 1980's. These schemes were managed by the state through the Department of Agriculture or Ulimocor. These schemes were handed over to the communities in 1994;
- The following crops were grown, lucerne, maize, cabbage, butternut, beans, carrots, beetroot and potato. These crops are suitable and have previously been successfully grown;
- The Municipality has been in discussion with Cape Concentrate with regard to the production of tomatoes for the supply to the Coega based value adding plant. Cape Concentrate offers support services to the farmers. A plant also exists at Coega that are value adding Sweet Chilly Peppers for an export market. This needs to be investigated further;
- The closest market area is Peddie, which is 25 kilometers away, with no informal markets. Transport would have to be hired to move the produce to the market. The road infrastructure is a major limitation especially transport for fresh perishable produce. A major proportion of the produce could be sold off the farm;



- It is common amongst all the irrigation schemes that they are not functioning to their capacity. The expertise in terms of finances production, business and marketing are not available within these local schemes. The schemes do not have the finances, nor do they have the ability to source funds unless through state support. History dictates that the support is never been sufficient to ensure long-term success and unfortunately support structures, such as extension services, do not have the ability to provide adequate support. Success has been experienced where outside management with the required expertise have been brought on board;
- A number of commercial farmers exist in the area with very few having title to the land. Approximately 8 farmers have title or are expecting title to land. A further approximately 52 commercial emerging farmers are currently operating in the area either with access to own land or are leasing land from the state. The majority either has not received title transfer; or caretakers of the land leasing from the state. This is not a healthy situation as limits the ability to spend money developing the farms or having the ability to loan money without security;
- The production potential of the livestock industry is far from being achieved and improvements can definitely increase the number of saleable animals. Major constraints are generally lack of adequate camps, stock water and handling facilities due to the lack of land tenure;
- The development of a mentorship programs appointing experienced commercial farmers to run the mentorship programme with fixed terms of reference and outcomes based results. The programme must be aimed at the larger beef farmers. The mentorship programme will have a spin-off to the smaller livestock producers;
- A number of State Departments have programs that are pertinent to the development of a Master Plan for Ngqushwa Local Municipality . The programs of the Department of Rural Development & Land Reform, the Department of Rural Development and Agrarian Reform, Department of Social Development and the Department of Environmental Affairs are pertinent and the programs are of importance.

Table : Rural Developmental Analysis of Ngqushwa Local Municipality

### 2.5.3. Infrastructure Analysis of Ngqushwa Local Municipality

- Areas to the north of the municipality are poorly connected to the primary road network making access to public facilities and services difficult from villages located here;
- Primary connections south from the N2 towards the coast are not well defined especially west of the R72;
- An upgrade of the road network system linking to tourism and economic activities is vital for the economic development of Ngqushwa Local Municipality ;
- There is a need for an Integrated Transportation Plan for Peddie and Hamburg town;
- Hamburg and Peddie towns need upgrades of their internal street networks to improve on storm water and traffic movement;
- There are needs for the development of rural road networks;
- Maintenance and upgrading of roads restricted due to the limited funds available;
- A Road Development Plan has been linked to an Economic Development Plan to promote trade and tourism potential;
- There is a lack of adequate and suitably located public transport infrastructure;
- There are inadequate public transport services to meet the needs of pensioners, scholars, the sick and disabled;
- The Amathole District Municipality (ADM) is the Water Services Authority and Water Services Provider responsible for the Ngqushwa Local Municipality (ADM is also responsible for the Operation and Maintenance. ADM has appointed the Amathole Water Board to operate, on their behalf, as their service provider. It is estimated that 70% of water is potable within the municipality .
- The Amathole District Municipality have appointed Consulting Engineers to carry out a detailed study of the Water Supply to Ngqushwa Local Municipality area. This study considers design and growth horizons; and the extent of the Water Supply Schemes to the larger Peddie and Ngqushwa Local Municipality area; as well as the capacity of the existing Water Treatment Works;
- The water supply reticulation system is in need of maintenance to existing pipelines and significant extensions to the existing network, to provide potable water to all people in the urban and rural areas of the municipality ;

- The Amathole District Municipality have also appointed Consulting Engineers to carry out a detailed study into the existing and required Sewerage Treatment Works capacity and volume. The study has been is to upgrade the Works to a capacity of 2 megalitres a day;
- The sewer network for Peddie town needs to be significantly extended, which will include sewerage pump stations, for the upgrade of the collection of sewerage to a full water borne system. The CBD is serviced by a water borne sewerage system. It is proposed that the sewer network be expanded over the short to medium term to tie in with the upgrade of the Sewerage Treatment Works. Hamburg needs a new sewer network system;
- The level of access to sanitation in Ngqushwa Local Municipality is especially low, with the majority of the population still making use of pit latrines of which are mostly unventilated. This has serious implications for health and well-being, and therefore urgent upgrades and continuous health and hygiene programs are essential in the area;
- Road infrastructure between towns is adequate, but poorly developed among settlements. Public transport is limited to mini bus taxis. The safety of pedestrians and road users is also compromised by a lack of safe crossing facilities, where national and district roads have to be traversed to get to other settlements. A Traffic and Transport Study was carried out to provide guidance and back-up for future road network development options. The formalisation of a signalised intersection at the junction of the N2 and the R345 roads, including allowance for pedestrian access, is urgent. This will have to tie in with the present N2 upgrade being carried out and obtain SANRAL approval. Two roundabouts will also be proposed and negotiated with SANRAL, at intersections with the N2 to alleviate traffic flow through the congested CBD area and complete the public Transport Node Link;
- The roads, storm water system and pedestrian access in the CBD of Peddie require urgent upgrade to address the present congestion being experienced in the centre of town. In Hamburg an urgent upgrade of the storm water system is required. A number of surfaced roads and existing gravel roads also require urgent repairs and maintenance in the short term. In the medium term this programme of

upgrading the road, storm water and pedestrian network will be extended to cover the urban areas, nodes and the Municipality at large;

- The majority of the population (97%) arguably resides in the rural area, which means that access to essential services and facilities by the majority of the population is important. An Integrated Transportation Management Plan is required to ensure co-ordination of the public transport facilities, to access Tourism nodes and Public Amenities;
- Upgrades of the Sewerage Treatment System in Peddie and construction of an environmentally-friendly treatment plant in Hamburg is essential. In the rural areas, as a short term to medium term plan, the construction, upgrade of VIP toilets and Health and Hygiene Programs is recommended. The timing and extent of these upgrades be driven by the results of the detailed studies presently being completed for the ADM;
- It is recommended that extensions to the existing services like water, sewer, roads and electrical systems be staggered over the short and medium term, depending on the identified development priorities. The solid waste site and refuse collection system from town, needs to be addressed to ensure compliance with legislation;
- The Solid Waste Site in Peddie is presently not being run according to the Department of Environmental Affairs and Tourism Standards. Furthermore, the underground water is at risk of being polluted by leachate produced by the Solid Waste Site; and could affect nearby boreholes in town. The operation and upgrade of the Solid Waste Site, as well as the collection of solid waste from town, needs to be addressed to comply to departmental standards;
- Refuse collection points will be required at the tourism and human amenity nodes, this will in turn increase the amount of waste generated by the Peddie Waste;
- The Ngqushwa Local Municipality is supplied mainly by Peddie and Wesley substations. Both these substations are supplied from Albany substation (near Grahamstown) via the 66kV line;
- The Peddie Substation is a 66/22kV 1x10MVA substation. The peak load at this substation is approximately 8.5MVA. A second 10MVA transformer was planned for commissioning to improve the reliability of supply from this substation;

- Access to electricity is relatively high, however, affordability dictates that wood is still the most commonly used source of fuel for cooking which has serious environmental implications;
- The Photovoltaic / Wind Energy Farm for Peddie will be in the form of a Public Private Partnership and will be controlled by Eskom. Initial indications are that the amount of gas able to be produced from the Solid Waste Site have not be financially viable even if the Peddie Solid Waste Site becomes a collection point for the Ngqushwa region. Transport distances and the volume of waste matter are not sufficient no appropriate for this option;
- The upgrade of the road to Hamburg is important due to the tourism activities taking place in Hamburg, including the Artist's Retreat;
- Carrying out the traffic study and negotiations with SANRAL for additional access to the N2 and the Public Transport Link Routes, have started early in Peddie's Regeneration Programme;
- Upgrade of R345 from Peddie towards Nkonkobe LM have to be prioritised, as it forms part of the Makana Heritage Route which is a potential tourism draw card to the area and its link to the Double Drift Game Reserve;
- The maintenance of existing roads that link the public amenities to the villages is important for improving services.

Table: Infrastructure Analysis of Ngqushwa Local Municipality

#### **2.5.4. Environmental Analysis of Ngqushwa Local Municipality**

- There is a lack of proper access to coastal areas for the public;
- There is a lack of planning for coastal areas, i.e. development and protection of marine and coastal resources;
- Destruction of dunes due to over and improper use;
- Pollution of rivers and estuaries by illegal dumping of waste, inappropriate sewage disposal methods and silting;
- Destruction of coastal forests;
- Resource exploitation;
- Alien plant infestation;

- Poaching and over-utilisation of marine and coastal resources is an issue, especially abalone and line fish;
- There is a lack of institutional resources and effective governance;
- There is no Cemetery Management Plan;
- There are specific provisions in the act for protection of the natural environment with special reference to creation of nature reserves. Part IV of the Act deals with Control of Environmental Pollution, with specific provisions on prohibition of littering and removal of litter and general waste management;
- Among activities which may have a detrimental effect on the environment, the following are outlined in the Act: land use and transformation, water use and disposal; resource removal, including natural living resources; resource renewal; agricultural processes; industrial processes; transportation; energy generation and distribution; waste and sewage disposal; chemical treatment; Recreation;
- The Environmental Impact Assessment regulations in Act 73 of 1989 underpin legal procedures to ensure rational decision making regarding sustainable land use against the realities of growing population and economic needs. The emergence of EIA regulations in South Africa has had a notable positive effect on the promotion of resource conservation and material efficiency. In South Africa authorities are obligated to exercise their powers in a manner that protects the environment and human health, and applies the precautionary principle;
- Other related legislation specific to natural resources management designed to ameliorate possible negative effects of exploitation and use of environmental resources include: - The National Water Act 36 of 1998 which aims to manage the country's water resources to meet a wide range of objectives including basic needs, equitable access, facilitating social and economic development, protecting ecosystems and preventing pollution; The National Forests Act 84 of 1998 which seeks to provide for sustainable forest management;
- Waste disposal is mainly administered in terms of Section 20 of the Environment Conservation Act (1989) which deals with the permitting of waste disposal sites. Littering is also addressed in the Act;
- The National Forests Act No.84 of 1998 focuses on the principle of sustainable forest management. Criteria, indicators and standards for assessing and enforcing sustainable forest management and creating incentives to manage forests in a



sustainable way are described in the Act. Principles guiding decision- making state that forests must be developed and managed so as to sustain the potential yield of their economic, social and environmental benefits, and to conserve natural resources, especially soil and water. Special measures are included to protect indigenous forests and trees. Regulations may be made to control the collection, removal, transport, and various other activities relating to parts of or products from protected trees;

- The Act sets out the right of everyone to have access to State forests for the purpose of recreation, education, culture or spiritual fulfilment;
- A provision is included to avoid conflicting rights in State forests. There are clauses in the Act detailing establishment and management of plantations, felling of trees and removal of timber, removal of other forest produce and the use of land and other resources associated with forests;
- The Act provides guidance on construction and use of infrastructure associated with a forested area, and the grazing or herding of animals. Sustainable management is emphasised as the aim is not to exclude people and the making of livelihoods using forestry and forest products, but to ensure that the state of the environment associated with forests is maintained at a level that will ensure future use and long-term benefits;
- The Water Services Act (1997) notes the duty to conserve water resources by stakeholders and consumers. Municipalities and Water Boards are required to take measures to promote water conservation and water demand management, and to promote public awareness. It is also required by DWAF that all water usage be registered, and in some instances licensed, in order for the catchment management authorities to ascertain the broader demand in the wider catchment, and avoid future shortages;
- The White Paper for Sustainable Coastal Development (2000) Policy sets out a vision for the coast, and principles, goals and objectives for coastal management, together with a Plan of Action for implementation;
- The goal of the National Biodiversity Strategy and Action Plan (2005) is to conserve and manage terrestrial and aquatic biodiversity to ensure sustainable and equitable benefits to the people of South Africa, now and in the future;

- The Integrated Coastal Management Act (ICMA) seeks to facilitate the implementation of the White Paper for Sustainable Coastal Development and to simplify the legislative framework regulating the use of coastal resources;
- It is important to note that the Act contains various provisions which have a direct bearing on spatial planning in coastal areas, such as: The demarcation of the coastal protection zone (100 m in urban areas and 1,000 m in rural areas); The designation of coastal access land; The establishment of coastal set-back lines;
- Protected Areas Act mainly provides for the declaration and management of nature reserves in order to manage and conserve biodiversity;
- The Biodiversity Act is mainly aimed at the management and conservation of biological diversity and the sustainable use of biological resource;
- The National Heritage Resources Act (25 of 1999) governs natural heritage resources and the management thereof;
- The National Forest Act (NFA) provides for conservation and sustainable forestry management;
- The main object of Conservation of Agricultural Resources Act (43 of 1983) is to provide for the conservation of the natural agricultural resources including the combating and prevention of erosion and combating of weeds and invader plants;
- The Waste Management Act allocates responsibilities to municipalities with respect to waste management, including: Ensure that waste management services are provided within the municipality in a manner which prioritises the recovery, re-use or recycling of waste and provides for the treatment and safe disposal of waste as a last resort; Ensure that provision is made for the management and collection of litter; and Pass waste management by-laws and standards.

Table: Environmental Analysis of Ngqushwa Local Municipality

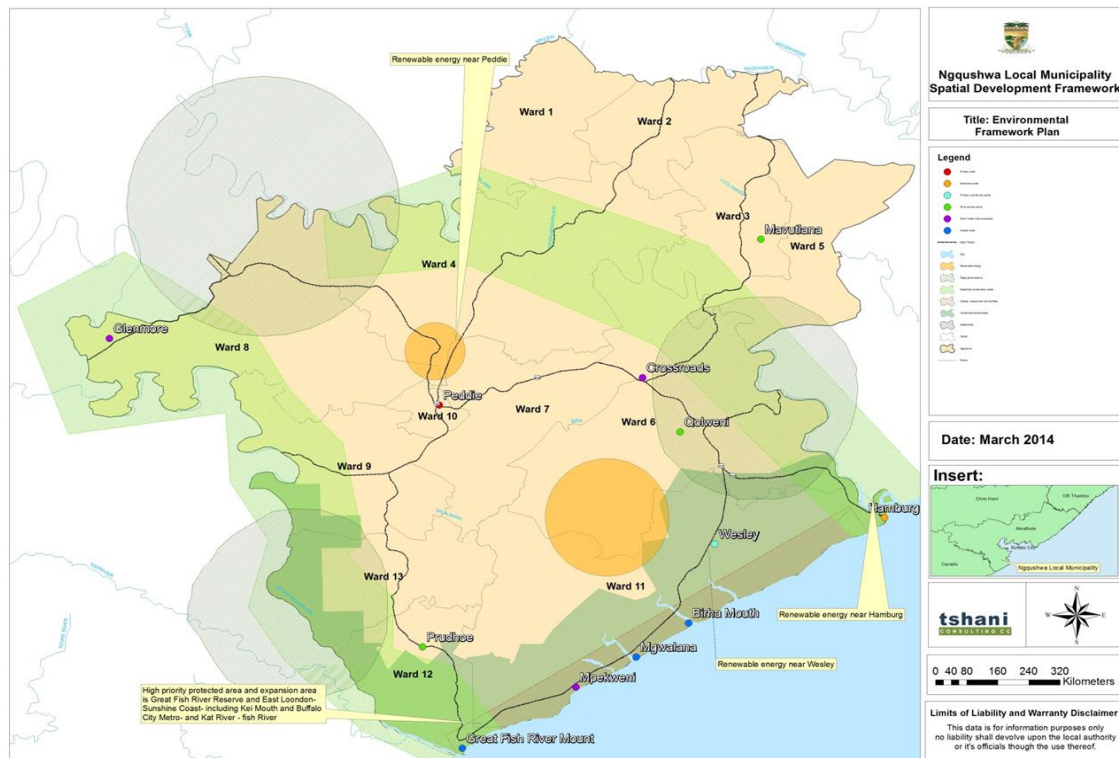


Figure : Environment Framework

## 2.5.5. Local Economic Developmental Analysis of Ngqushwa Local Municipality

- Land rights issues – potential investing in the area is compromised as a result of the land tenure uncertainty;
- Environmentally degraded land – much of the land surrounding villages in Ngqushwa has been overgrazed and is degraded consequently crop farming can no longer take place;
- Concentration of economic activity in the ‘community services’ and ‘finance’ sectors;
- Underdeveloped agricultural sector – agriculture accounts for less than 1% of the Ngqushwa Local Municipality GVA, despite a high rural population. There is very little evidence of agri-processing and only a very small amount of commercial agricultural activity in the municipality ;
- Infrastructure – particularly the road infrastructure. Current transport limitations in the study area hinder businesses locating to the area due to a lack of reliable and comprehensive services but progress has been made;

- The tourist attractions could be attracting greater numbers of visitors each year, however, these are underutilised;
- The high unemployment rate; The high rates of illiteracy;
- Low purchasing power of residents and therefore low demand among locals for particular goods and services;
- In Ngqushwa Local Municipality, there is a limited amount of economic activity, outside of community services. Appropriated opportunities need to be created in Ngqushwa Local Municipality that will help provide skills to the local population and develop economic activities that are sustainable. There is a need for the government to initiate these activities, because the current economic environment has not shown enough private economic interest and investment;
- A crucial element of achieving success with the development of new projects is to pilot projects and begin new projects, where conditions are already favourable. Agricultural projects should, for example, be piloted in areas, where land ownership is certain, where local businesses or cooperatives are already established and where there is already some sort of skills base. If successes can be achieved, then this will build a good model to replicate and will build momentum in encouraging further growth;
- The agricultural sector in Ngqushwa is varied, and important to many people's livelihoods and way of life, but only contributes a small amount to overall GdP. It also provides very limited employment to the population. There are opportunities for Ngqushwa to develop the agricultural sector. The agricultural sector needs to be prioritised as a key driver for economic growth. There is firstly an opportunity for Peddie to become a service centre (aggregator ) for farmers in the central areas of the municipality , particularly livestock farmers, but also the crop farmers in the Tyefu area;
- There is also a need to make all farming more cost effective, productive and ultimately sustainable. The areas of crop farming are along the Keiskamma River, along the Great Fish River in the north western block of Ngqushwa Local Municipality and in the south western corner of the Municipality . The central region is primarily characterised by crop farming;
- In order to connect these different areas, it is firstly necessary to complete road infrastructure, particularly connecting agricultural nodes with the N2. Secondly, it

is necessary to find common needs among different farmers so that service providers within the Municipality can service them;

- There are a number of proposals that are listed below, which aim to improve the productivity and grow the agricultural sector in Ngqushwa Municipality ;
- There is a need to develop the infrastructure in Ngqushwa Municipality . There is a particular need to develop the road network within the Municipality in order to make the major towns better connected and also to make the provision of both private business services and community services to smaller villages easier. There is a lack of both social and economic infrastructure and high backlog issues for the development nodes;
- There is a very limited retail offering Ngqushwa, and this is largely to do with the small local market and the low level of income of this market. There are minor retail offerings in the towns of Ngqushwa and there is unlikely to be a case for developing any major retail outlets, such as malls, due to the small local market and low level of income of most residents [with the exception of government employees]. The best way to provide a case for more retail offering is to change the nature of the local market by growing the number of employed people and raising their income levels. This will be led by overall economic growth and therefore is likely to be a slow process, at first. It should nevertheless be an objective for the Municipality. The one additional retail offering, which could be encouraged by the Municipality, is the development of a major petrol station with a shop and possibly restaurant along the R72 coastal road. This development could also develop informal trading zone, with crafts, for example, being produced by people in the nearby villages;
- The development of SMMEs in Ngqushwa Local Municipality is crucial to the economic growth of the municipality. There is a need to develop SMMEs in the agriculture, tourism and to a lesser extent in the retail sector. The SMMEs will need to be assisted financially, but also with training (and/or mentoring). Any financial assistance should be provided with the understanding that SMMEs are obtaining loans so that these businesses value the financial contributions they may receive. The terms of repayment can, however, be made more favourable so as to improve the chances of those businesses succeeding. SMMEs will be able to provide for



the small local demand and can then grow as the level of overall demand as the municipality grows;

- Ngqushwa Local Municipality is blessed with a pristine coastline, fed by numerous rivers. The two main coastal nodes are Hamburg and Great Fish River mouth (with Mpekweni Beach Resort being another more minor node). The environment along this coastline is extremely sensitive so any major expansion of current nodes or creating new ones could be detrimental to the environment Any new developments need to take the environment into consideration;
- The other tourism attractions inland are heritage and cultural sites, including Fort Peddie, Peddie Cavalry Barracks and Tunnel, Prudhoe. These are part of a broader heritage route (Makana Heritage Route) and are only likely to attract small numbers of tourists. This is because although heritage tourism is growing in South Africa, it is still very limited in terms of the demand for it and its ability to be a significant generator of revenue.

Table: Economic Analysis of Ngqushwa Local Municipality

#### 2.5.6. Human Resources Analysis of Ngqushwa Local Municipality

- The PGDP identified Human Resource development as a core objective and formulated the following six broad priority programs namely: Further Education and Training Transformation; Adult Basic Education and Training; Early Childhood Development; Scarce skills for the public sector; Learnerships; and A Provincial Human Resource Development Strategy;
- A unique, relevant, competent and professional spatial development and land use planning human resource supporting informed development decision making based on the combination of indigenous and technical principles, policies and procedures;
- Alluding to the significant challenges in the province, the PGDP highlighted an extremely low skills base, underinvestment in skills development, rising unemployment, poor alignment of training programs with social and economic development strategies and a mismatch between training outputs and skills requirements.

Table: Human Resources Analysis of Ngqushwa Local Municipality



## 2.5.7. Governance Analysis of Ngqushwa Local Municipality

- The functions and powers of municipalities, as assigned in terms of Sections 156 and 229 of the Constitution, is divided between a district municipality and local municipalities. A district municipality must seek to achieve the integrated, sustainable and equitable social and economic development of its area, by ensuring integrated development planning for the district as a whole; Promoting bulk infrastructural development and services for the district as a whole; Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and Promoting the equitable distribution of resources between local municipalities, to ensure appropriate levels of municipal services within the area.

Table: Governance Analysis of Ngqushwa Local Municipality

## 2.6. SWOT ANALYSIS (STRENGTHS, WEAKNESS, OPPORTUNITIES, THREATS)

The SWOT Analysis reflects on the Strengths, Weaknesses, Opportunities and Threats found within the Ngqushwa Local Municipality .

▶ TABLE 1: SWOT ANALYSIS			
▶ SOCIAL DEVELOPMENT & HUMAN SETTLEMENT			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ Mergers, Joint Ventures and strategic alliances possibility.</li> <li>▶ Moving in new markets segments that offer improved solutions.</li> <li>▶ Innovative new management at NGQUSHWA LOCAL MUNICIPALITY .</li> <li>▶ Legal supporting services.</li> <li>▶ New quality processes and procedures.</li> <li>▶ Social facilities exist within the municipal area.</li> <li>▶ Low level of informal dwellings.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Lack of low cost housing expertise</li> <li>▶ A negative market legally by past vacated and ineffective management.</li> <li>▶ Poor quality goods and services in the past.</li> <li>▶ Damaged reputation.</li> <li>▶ Lack of resources to do the work.</li> <li>▶ The unemployment rate in the municipality is 68%.</li> <li>▶ Education levels within the municipality are low.</li> <li>▶ 37% of the population have no income.</li> <li>▶ The condition of some social amenities is very poor and need upgrading.</li> </ul>	<ul style="list-style-type: none"> <li>▶ 24 hour broadband.</li> <li>▶ Wi-Fi hotspots</li> <li>▶ Training Academy.</li> <li>▶ Knowledge from elders.</li> <li>▶ New International markets.</li> <li>▶ A development markets.</li> <li>▶ Locational opportunities.</li> <li>▶ Fast return on investments.</li> <li>▶ Improve the safety for those that love in the areas.</li> <li>▶ Training Academy.</li> <li>▶ Improved and better access to social facility like libraries will increase the education level within the municipality .</li> <li>▶ Urban Development potential exists in Peddie and Hamburg</li> </ul>	<ul style="list-style-type: none"> <li>▶ Declining population.</li> <li>▶ Lack of belief by teenagers.</li> <li>▶ Competitors of other municipalities have superior access to channels of funding.</li> <li>▶ Too little liaison.</li> <li>▶ Too few staff to action.</li> <li>▶ Mega projects are very complex.</li> <li>▶ Mega projects are very costly.</li> <li>▶ Mega projects are likely to present unforeseen prospects.</li> </ul>

<ul style="list-style-type: none"> <li>▶ From a tourism perspective, NGQUSHWA LOCAL MUNICIPALITY is strategically located along major transport routes.</li> <li>▶ Two tourism routes running through the municipality .</li> <li>▶ Lots of tourism facilities in and around Ngqushwa Local Municipality .</li> </ul>	<ul style="list-style-type: none"> <li>▶ No decent social housing or rental accommodation available for the middle class income group.</li> <li>▶ Limited tourism marketing and awareness.</li> <li>▶ Lack of signage that leads to tourism amenities.</li> <li>▶ Limited community-based tourism.</li> <li>▶ Lack of tourism services such as banks.</li> <li>▶ Lack of recreational facilities along major route.</li> <li>▶ The limited number of nodes offering integrated development and services to the community is few and far between.</li> </ul>	<p>which can create investor confidence in the municipal area.</p> <ul style="list-style-type: none"> <li>▶ Establish events and use existing events to harness economic return.</li> <li>▶ Upgrading of the heritage sites and linkage to local tourism service providers i.e. Tunnel Revival.</li> <li>▶ Linkages between cooperatives/small-agricultural practices and coastal resorts and marketplace.</li> <li>▶ Development of recycle projects and re-using waste creator's employment opportunities and development of crafts.</li> <li>▶ Formalisation of hiking trails and building awareness i.e. Sandy Hiking Trail.</li> <li>▶ Linkage with the Frontier Country Route and Amatole Mountain Escape.</li> <li>▶ Adventure opportunities along Fish River.</li> <li>▶ Beachfront Development at Hamburg.</li> <li>▶ Adventure Opportunities at Pikoli village.</li> <li>▶ Arrangement of indoor sports games.</li> <li>▶ Tour packages from coastal resorts to inland villages.</li> <li>▶ Facilities along the R72 service station including information hub and bus stop.</li> <li>▶ Improve structure and functioning of LTO – bookings, Improvement of tourism skills.</li> <li>▶ Strategic location of VIC through stakeholder commitment satellite offices.</li> <li>▶ Create linkages amongst private operators to prolong visitor stays.</li> <li>▶ Conservation area linked to community education and heritage awareness.</li> <li>▶ Crafter/ market area in high traffic zone.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Mega projects always have environmental impacts.</li> <li>▶ Low purchasing power due to high unemployment rate.</li> <li>▶ Crime along the R72 and other secondary routes linking up with the N2.</li> <li>▶ Rising fuel prices resulting in limited recreational travel.</li> <li>▶ Land claims along critical destinations.</li> <li>▶ Priority of tourism amongst political leaders</li> <li>▶ Inadequate basic road infrastructure leading to tourism destinations or attraction sites.</li> <li>▶ Lack of public access to the beach promotes residents of the municipality to rather go to another municipal beaches which means loss of income to Ngqushwa Local Municipality .</li> </ul>
---	---	---	--

--	--	--	--

► **TABLE 2: SWOT ANALYSIS**

► **RURAL DEVELOPMENT**

► <b>STRENGTHS</b>	► <b>WEAKNESS</b>	► <b>OPPORTUNITIES</b>	► <b>THREATS</b>
<ul style="list-style-type: none"> <li>► Ministers promise of 5800 low-cost housing.</li> <li>► There are irrigation schemes within the municipality that are managed by ADM.</li> <li>► There is 100ha/180ha of Citrus farms along the Keiskammahoek river area.</li> <li>► Towards the south end of the municipality area are pineapple and chicory development.</li> <li>► There are a few poultry projects, vegetables gardens and ostrich</li> </ul>	<ul style="list-style-type: none"> <li>► The unresolved land issues and conflict on existing land claims within the irrigation scheme area.</li> <li>► Transfer of land to land owners has never been handed over to the owners.</li> <li>► There are social issues involved with joint ventures, which make joint ventures an unpleasant thought.</li> <li>► High dependency on government social grants means a lot of people live below, the poverty line.</li> <li>► There is a continued conflict of taking over land and leasing land from Department of Land Affairs.</li> <li>► The access road to the Double Drift Game Farm from Peddie town is gavel and in a poor condition.</li> </ul>	<ul style="list-style-type: none"> <li>► Upgrading of the irrigation scheme will promote farming with vegetables, sweet chilli peppers, citrus, pomegranate.</li> <li>► Expanding citrus</li> <li>► There are opportunities for growing prickly pear in the drier areas.</li> <li>► Opportunities for Livestock farming of Beef and Goat exist in Ngqushwa Local Municipality .</li> <li>► The opportunities that development will bring will influence the economic status of the municipal area.</li> </ul>	<ul style="list-style-type: none"> <li>► High salt content in the scheme.</li> <li>► Current and emerging factors that may challenge the NGQUSHWA LOCAL MUNICIPALITY performance.</li> <li>► Limited service lines.</li> <li>► Adverse demographical changes.</li> <li>► Policies.</li> <li>► Economic slowdowns.</li> <li>► Time.</li> <li>► The lack of proper agricultural infrastructure will result</li> </ul>

<p>projects within the municipality .</p> <ul style="list-style-type: none"> <li>▶ Large portions of land for development exist within the municipal area.</li> <li>▶ Double Drift Nature Reserve and Conservation is situated in NGQUSHWA LOCAL MUNICIPALITY .</li> <li>▶ To the South end of the municipality are Nature Reserves and Conservations.</li> <li>▶ There are conservation areas along the coast which could be explored.</li> <li>▶ Aqua-Culture in Hamburg- Department of Forestry want to expand.</li> <li>▶ Peddie town is the local centre and economic hub of the municipality .</li> <li>▶ Specialist management expertise.</li> <li>▶ A new innovative product/service.</li> <li>▶ Internal Capabilities.</li> <li>▶ The demand is there.</li> <li>▶ Adequate land available for Agricultural purposes.</li> <li>▶ Agriculture product potential exists in local markets</li> <li>▶ Irrigated gardening and field crops.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Steep land along the west end of the Municipality .</li> <li>▶ No hiking trails along the coast.</li> <li>▶ Reputation damaged</li> <li>▶ Management and staff problems.</li> <li>▶ Negative feedbacks.</li> <li>▶ Internal Limitations may interfere with NGQUSHWA LOCAL MUNICIPALITY ability to achieve its objectives.</li> <li>▶ There are a high number of unresolved land claims within the municipality .</li> <li>▶ Lack of tenure security and a weak land administration system.</li> </ul>	<ul style="list-style-type: none"> <li>▶ There are opportunities that development will bring will influence the economic status of the municipal area.</li> <li>▶ There are opportunities in the Game Farming Industry, for example the Double Drift Game Reserve.</li> <li>▶ Opportunity to link the coast with the nature reserve (problems experiences with the existing communities).</li> <li>▶ Cycling race – international status Creation of hiking trails/mountain biking trails, linking with Storms River.</li> <li>▶ Upgrading the town could build investor confidence.</li> <li>▶ Aqua-culture in Hamburg. Flat land, elevation from sea not too high along the coast.</li> <li>▶ Upgrading the town could build investor confidence.</li> <li>▶ External factors that NGQUSHWA LOCAL MUNICIPALITY may be able to exploit to its advantage.</li> <li>▶ Technological Advantages.</li> <li>▶ New markets and services.</li> <li>▶ Donation confirmation.</li> <li>▶ A developing market.</li> <li>▶ Moving into new market segments that offers improvements.</li> <li>▶ Development of route to market priorities.</li> <li>▶ International investment opportunities.</li> <li>▶ Revitalise agricultural irrigation schemes.</li> <li>▶ Good potential for pineapples, citrus production, dairy and beef.</li> </ul>	<p>in low agricultural production within the municipal area.</p> <ul style="list-style-type: none"> <li>▶ High rates of poverty (87.4%).</li> <li>▶ Unemployment (86%).</li> <li>▶ Lack of crucial skills to ensure consistent quality of produce.</li> <li>▶ Lack of assistance by extension officers.</li> <li>▶ Lack of coordination with intergovernmental initiatives.</li> </ul>
---	--	--	--

--	--	--	--

TABLE 3: SWOT ANALYSIS

INFRASTRUCTURE			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ NGQUSHWA LOCAL MUNICIPALITY effort and commitment.</li> <li>▶ Urban population.</li> <li>▶ NGQUSHWA LOCAL MUNICIPALITY application of I.T.</li> <li>▶ Central location for industrial uses.</li> <li>▶ Strong, creative Leadership.</li> <li>▶ Collaborative Process.</li> <li>▶ Funding.</li> <li>▶ Strong need.</li> <li>▶ Grassroots Support.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Don't have enough resources at the moment to do the work.</li> <li>▶ Restriction on local SME's capacity.</li> <li>▶ Labour relations.</li> <li>▶ Efficiency.</li> <li>▶ Performance Management.</li> <li>▶ Human resources capacity.</li> <li>▶ Quality of infrastructure.</li> <li>▶ Vibrancy of collaboration.</li> <li>▶ Internet subscribers at schools and communities.</li> <li>▶ Traffic flows.</li> <li>▶ Only 12.11% of roads in the municipal area are tarred.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Opportunities to become more informed and competitive.</li> <li>▶ Mentorship.</li> <li>▶ Have to meet need governance rules in infrastructure development.</li> <li>▶ More jobs to deliver housing.</li> <li>▶ Cost saving exercises.</li> <li>▶ Mentoring o local SME's to deliver.</li> <li>▶ Hotel Development.</li> <li>▶ Future profitability.</li> <li>▶ Future brand portfolio.</li> <li>▶ Domestic market.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Financial ability.</li> <li>▶ Time constraints.</li> <li>▶ Drop in Tax Revenues.</li> <li>▶ Shrink in Demographics.</li> <li>▶ Reduce in attraction.</li> <li>▶ Loss of jobs.</li> <li>▶ Economic slowdown.</li> <li>▶ Funding.</li> <li>▶ Increasing costs.</li> <li>▶ Increasing in rates of interest.</li> <li>▶ Increase in labour cost.</li> <li>▶ Tax changes.</li> <li>▶ Future debt rating.</li> </ul>



<ul style="list-style-type: none"> <li>▶ The N2, R72 and R345 traverse the municipal area.</li> <li>▶ There is a formal taxi rank facility in Peddie.</li> <li>▶ There is a good supply of electricity throughout the municipal area.</li> <li>▶ Water is available although limited to 70%.</li> </ul>	<ul style="list-style-type: none"> <li>▶ The rural roads are in bad condition and are worse during rainy days.</li> <li>▶ The Regional Water Scheme in Peddie is overloaded.</li> <li>▶ Upgrade of the Sewer Treatment Works in Peddie and Hamburg is needed.</li> <li>▶ The gravel access road to Hamburg is not appealing to tourists.</li> </ul>	<p>NGQUSHWA LOCAL MUNICIPALITY effectiveness.</p> <ul style="list-style-type: none"> <li>▶ Broadband energy.</li> <li>▶ Pavement and bike lanes.</li> <li>▶ Improved infrastructure will create investor confidence.</li> <li>▶ Improve road signage across the municipal area.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Price changes.</li> <li>▶ School enrolment rates.</li> <li>▶ Unemployment rates.</li> <li>▶ Human Development index.</li> <li>▶ Crime Rate.</li> <li>▶ There is no proper Storm water Management Systems in Peddie and Hamburg.</li> <li>▶ The cost of building infrastructure as well as maintaining it is high.</li> <li>▶ The sewer system in Peddie and Hamburg is over capacity.</li> </ul>
---	---	--	---

**TABLE 4: SWOT ANALYSIS**

ENVIRONMENT			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ Resources, assets and people.</li> <li>▶ Culture, attitudes and behaviour.</li> <li>▶ Innovative aspects.</li> <li>▶ Country Living.</li> <li>▶ Spaces are attracting and inviting.</li> <li>▶ Long term leases at low rates.</li> <li>▶ An increasing sources of traffic through NGQUSHWA LOCAL MUNICIPALITY .</li> </ul>	<ul style="list-style-type: none"> <li>▶ Lack of competitive strength.</li> <li>▶ Gaps in Capabilities.</li> <li>▶ Unfilled Needs.</li> <li>▶ Developmental and Innovation.</li> <li>▶ Loss of Image.</li> <li>▶ Planning ahead.</li> <li>▶ Environmental Constraints.</li> <li>▶ No Coastal Management Plan.</li> <li>▶ Increased heat waves.</li> <li>▶ Higher risk of flooding along existing watercourses.</li> <li>▶ High unemployment rates, low education and skills level.</li> <li>▶ Hamburg has a rundown appearance with very limited economic activities and tourism</li> </ul>	<ul style="list-style-type: none"> <li>▶ Industry for lifestyle needs.</li> <li>▶ Offer more variety of tourism attraction to attract.</li> <li>▶ Online Marketing.</li> <li>▶ Potential of engagement for revenue opportunities.</li> <li>▶ Capacity opportunities.</li> <li>▶ Advertising reality.</li> <li>▶ Target market needs.</li> <li>▶ The system belongs to the people.</li> <li>▶ Market Developments.</li> <li>▶ Business and product development.</li> <li>▶ Marketing – Reach, distribution and awareness.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Seasonal, weather affects.</li> <li>▶ Shifts in consumer preferences.</li> <li>▶ Competition intentions.</li> <li>▶ Legislative effects.</li> <li>▶ Sustainable financing backing.</li> <li>▶ New regulations.</li> <li>▶ Emergence of substitute products.</li> <li>▶ Difficulty monetizing in NGQUSHWA LOCAL MUNICIPALITY development implementation.</li> </ul>



<ul style="list-style-type: none"> <li>▶ Unique social Phenomenon.</li> <li>▶ Two great Rivers flanking the municipal Boundaries</li> <li>▶ Location and Geography.</li> <li>▶ Brand Name.</li> <li>▶ Abundance of arable land available within the municipal area.</li> <li>▶ The municipality has a unique natural environment fit for tourism.</li> <li>▶ The municipality has a well-established road network connecting to major towns such as Port Elizabeth and East London. The road also links the area with East London and Port Alfred.</li> <li>▶ Hamburg is located at the mouth of the Keskamma River and the town is a holiday destination by virtue of this river estuary and unspoiled coastline.</li> <li>▶ Existing pineapple farms.</li> </ul>	<p>products and it has to compete with destinations such as Fish River Sun and Mpekeweni.</p> <ul style="list-style-type: none"> <li>▶ Hamburg is accessed through a gravel road.</li> <li>▶ Underutilised vacant sites in the urban areas, creating an opportunity for land invasion and dumping of waste.</li> <li>▶ Limited product marketing and awareness.</li> <li>▶ There is a lack of signage within the municipal area.</li> <li>▶ Limited community-based tourism.</li> <li>▶ Lack of tourism activities and linkages to other municipal boundaries.</li> <li>▶ Lack of adequate facilities for traders with trading equipment.</li> <li>▶ Lack of tourism finance facilities such as banks.</li> <li>▶ Lack of recreational facilities along major route.</li> <li>▶ Areas to the north of the municipality are poorly connected to the primary road network making access to public facilities and services difficult from villages located here.</li> <li>▶ Primary connections south from N2 towards the coast are not well defined, especially west of the R72, A greater number of well-developed connections need to be made towards the coast in order to strengthen accessibility within the municipality .</li> </ul>	<ul style="list-style-type: none"> <li>▶ Show of local skills.</li> <li>▶ Unfulfilled customer needs.</li> <li>▶ Upper-class Holiday accommodation needs.</li> <li>▶ Conserve the environment by eliminating other impacts.</li> <li>▶ Blue – Economy (PAKISO)</li> <li>▶ Urban greening and open space opportunities.</li> <li>▶ Opportunities exist for solar and wind renewable energy projects.</li> <li>▶ Opportunities for Biofuel production.</li> <li>▶ Commercial farming and small scale agriculture has huge potential although it has declined in the past few years.</li> <li>▶ The municipality already has viable agricultural enterprises.</li> <li>▶ Rural land in the municipality is owned by the state and therefore needs to be assessed by the Department of Land Affairs for development purposes.</li> <li>▶ Dilapidated historical buildings that can be revamped.</li> <li>▶ Opportunity to develop a game experience in conjunction with beach tourism in Hamburg.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Investor perception.</li> <li>▶ Environmental effects.</li> <li>▶ Market demand obstacle.</li> <li>▶ Terrain obstacles.</li> <li>▶ Opposition – People hate change</li> <li>▶ Climate change on the environment.</li> <li>▶ Commonage land within the urban areas of Peddie and Hamburg.</li> <li>▶ The coastal Management Plan can lead to mismanagement of valuable coastal areas.</li> <li>▶ Most rural settlements still need to be formalised.</li> <li>▶ New environment law that has been enacted will limit development along the coast and thus help conserve environmentally sensitive land.</li> <li>▶ Climate change will have a negative impact on the municipality 's irrigation schemes as shortage of water are expected.</li> <li>▶ There are a large number of land claims within the municipality . Development is hindered by land claims as land ownership becomes an issue.</li> </ul>
--	---	--	---

--	--	--	--

TABLE 5: SWOT ANALYSIS

ECONOMIC DEVELOPMENT

STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ The Fish River Sun Holiday Resort, with a Gary Player golf course is located within the municipal area.</li> <li>▶ Markets exist within the municipal area to buy fresh produce from farmers.</li> <li>▶ Future orientated should serve the NGQUSHWA LOCAL MUNICIPALITY .</li> <li>▶ Big picture thinking.</li> <li>▶ Hardworking, open-minded, thoughtful Management.</li> <li>▶ Price, quality, value.</li> <li>▶ Good access to other major towns exists via the N2 and R72 Possibilities.</li> <li>▶ Export possibilities.</li> <li>▶ Access to foreign markets.</li> <li>▶ Advantage of Geographical location between ports.</li> <li>▶ New leadership at NGQUSHWA LOCAL MUNICIPALITY .</li> <li>▶ User supplied interest.</li> <li>▶ Passionate local population.</li> <li>▶ Strong need for Eco-Development.</li> <li>▶ Grassroots support.</li> <li>▶ Opportunities to improve the economy in affected areas.</li> <li>▶ The Hamburg Retreat</li> <li>▶ The R72 known as the Sunshine Tourism Route.</li> <li>▶ Four tourism routes running through the municipality .</li> <li>▶ Annual Hamburg Beach Festival</li> </ul>	<ul style="list-style-type: none"> <li>▶ Goods are purchased from East London and Port Alfred instead of within the municipal area. Fish River and Mpekwani do not have a market in Ngqushwa Local Municipality from where to purchase their goods.</li> <li>▶ Financials.</li> <li>▶ Low sports interaction.</li> <li>▶ Current underutilising of tourism and entertainment.</li> <li>▶ Meaningful Development.</li> <li>▶ Low reputation at foreign markets.</li> <li>▶ Loss of depth control and flexibility.</li> <li>▶ Cash Flow.</li> <li>▶ Management De-prioritising near term financial success could make forecasting difficult.</li> <li>▶ Business is lower during winter months.</li> <li>▶ Lack of marketing.</li> <li>▶ Poor road infrastructure.</li> <li>▶ Low economic activities in the municipal area.</li> <li>▶ The economic opportunities that the N2 and R72 hold are not fully utilised.</li> <li>▶ There is a lack of signage with the municipal area.</li> <li>▶ Limited community-based tourism.</li> <li>▶ Lack of tourism activities and linkages to other boundaries.</li> <li>▶ Lack of tourism finance facilities such as banks.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Revenue from Fish River Sun. Payments of rates and taxes by private owners on their properties.</li> <li>▶ Owners will support the locals if they are able to maintain good supply and quality produce.</li> <li>▶ Opening of Business Chamber.</li> <li>▶ Offer more variety of services to attract more clients.</li> <li>▶ Donation Confirmation.</li> <li>▶ E-Trade.</li> <li>▶ Opening of Shopping Complex.</li> <li>▶ Changing of the industry structure (the emergence of new enterprises, depots).</li> <li>▶ Growth of tourism markets.</li> <li>▶ Focus on global markets.</li> <li>▶ State Support.</li> <li>▶ The Acquisition of Foreign experience.</li> <li>▶ Opportunity to enter the export version.</li> <li>▶ The creation of own distribution networks representative offices for foreign markets.</li> <li>▶ Greater reach to clients implies multiplier effects if successful.</li> <li>▶ Opportunity to upgrade road infrastructure to strengthen business opportunities.</li> <li>▶ Opportunity to strengthen the tourism industry.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Fish River – revenue goes to the Sun International, no revenue feeds into the municipality .</li> <li>▶ People will continue to purchase goods from outside the municipal boundary.</li> <li>▶ Take too long to start projects.</li> <li>▶ Deadlines.</li> <li>▶ No implementation GTAS as yet.</li> <li>▶ Aged population hindering tax effort.</li> <li>▶ Loss of image.</li> <li>▶ Competitive market.</li> <li>▶ Recession globally.</li> <li>▶ New Competitors.</li> <li>▶ Changing buying power around the world.</li> <li>▶ Investor perception of potential.</li> <li>▶ Time – Delays increase costs.</li> <li>▶ Scope creep.</li> <li>▶ Younger generation leaves.</li> <li>▶ Loose Enthusiasm.</li> <li>▶ Poor infrastructure discourages investors.</li> <li>▶ No growth in Hamburg could result in the Hamburg Artist Retreat becoming a white elephant.</li> </ul>

--	--	--	--

TABLE 6: SWOT ANALYSIS

HUMAN RESOURCES

STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ Municipal staff that specifically deal with spatial planning matters</li> <li>▶ Regular meetings with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▶ Limited Town Planning staff.</li> <li>▶ Lack of capacity to deal with housing delivery, planning project management and environmental issues.</li> <li>▶ No building inspector within the municipality .</li> </ul>	<ul style="list-style-type: none"> <li>▶ Opportunities exist for planning procedures, professional principles and land use management techniques to be adapted</li> <li>▶ Opportunities for training to be provided more widely, awareness and capacity building to be extended to the stakeholders at large</li> <li>▶ Interventions towards mentorship of young planning professionals within the municipality need to be established to build planning capacity in the municipal area</li> </ul>	<ul style="list-style-type: none"> <li>▶ Limited security and availability of funds from Government delay development within the municipal area.</li> </ul>

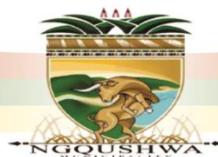
TABLE 7: SWOT ANALYSIS

GOVERNANCE			
STRENGTHS	WEAKNESS	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▶ Policies, although limited are available within the municipality</li> </ul>	<ul style="list-style-type: none"> <li>▶ The reason being that public sector funding is directed across the province to provide basic infrastructure in response to burgeoning settlement growth. It is believed that because of this, opportunities and the influence of development into corridors and nodes have largely been lost as a result.</li> <li>▶ Strengthen community involvement and participation.</li> <li>▶ Innovative community engagement mechanisms be supported to attract civil society engagement to supplement the ward committee system.</li> <li>▶ Get the skills and technical capacity in place.</li> <li>▶ Skills development for technical maintenance.</li> <li>▶ Intensive artisan programs.</li> <li>▶ Rotation of politicians between all three spheres of government.</li> <li>▶ Strengthen performance monitoring and reporting.</li> <li>▶ Reports required from municipalities should be rationalised to one or two reports covering all sectors requirements.</li> <li>▶ Differentiate and match municipal roles to capabilities.</li> <li>▶ Differentiation or segmentation of powers and functions.</li> <li>▶ Differentiation should not only be based on capacities but also on potential to improve performance.</li> <li>▶ Standardise and simplify processes and systems.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Opportunities exist to strengthen the land use, settlement and building codes.</li> <li>▶ Overcoming imbalances and inequalities of the past.</li> <li>▶ Taking cognisance of the provisions of the ECPSDP.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Failure to implement policies will result in haphazard planning</li> </ul>



# CHAPTER 3





## CHAPTER 3

### KPA 1: INSTITUTIONAL DEVELOPMENT AND DESIGN

#### 3.1. INTRODUCTION

Ngqushwa Local Municipality's mandate is to attract and retain the best talent to ensure operational effectiveness and service delivery are delivered. Corporate Services department is the custodian of Institutional Design and Development Key Performance Area within the institution. The municipality intend to shift its mind-set in the next four (4) Years by introducing leadership development interventions to build the skills, knowledge and abilities of our Senior Management and Political principals.

Given the current challenges that Ngqushwa Local Municipality is facing in terms of service delivery, the participation in leadership development programmes by Councillors is, however, costly in terms of time and finances. Therefore the evaluation of these programmes is essential in order to assess the lessons learned from participation in the programme, as well as to assess the impact of these programmes. Motivation is defined as the willingness to do something and is conditioned by this action's ability to satisfy some need for the individual where researchers defines it as what an individual will do. In order for councillors to effectively participate in leadership development evaluation, they need to be willing to do so.

##### 3.1.1 Institutional Arrangement

#	Approved and funded posts	Incumbent
1.	Director : Corporate Services	Mr. M. Mxekezo
2.	Manager : Human Resources	Vacant
3.	Manager : Administration	Ms. E. Maytham
4.	Manager: Information and Communication Technology	Ms. A. Bantwini

Table: Institutional Arrangement

### 3.1.2 Legislative framework applicable:

- The Constitution of the Republic of South Africa 103 of 1996
- Local Government Municipal Systems Act 32 of 2000
- Local Government Municipal Structures Act 117 of 1998
- Local Government Municipal Finance Management Act 56 of 2003
- Labour Relations Act 66 of 1995
- Basic Conditions of Employment Act 75 of 1997
- Skills Development Act 97 of 1998
- Skills Development Levy Act No. 09 of 1999
- South African Quality Authority (SAQA) Act No 58 of 1995
- Employment Equity Act No 55 of 1998
- Occupational health and safety Act 85 of 1993
- Compensation for Occupational Injuries and Diseases Act 130 of 1993
- Unemployment Insurance Act 30 of 1996
- Protected Disclosure Act 26 of 2000
- Promotion of Access to Information Act 2 of 2000

**Strategic Goal:** To improve organisational cohesion and effectiveness.

### Political Structure





## Administrative Structure



M.P Mpahlwa  
Municipal Manager



Z.Msipa  
Director: Technical Services and  
Infrastructure



M .Mxekezo  
Director: Corporate  
Services



V.C Makedama  
Chief Financial Officer



N.M Makwabe  
Director Community  
Services

### 3.2 Municipal Organisational Structure

The Municipal Manager is the Administrative Head and Accounting Officer of the Municipality. He/ she is responsible for the implementation of the IDP and SDBIP under the direction and guidance of the Municipal Council. The Municipal Manager is supported by a team of executive managers appointed in terms of section 56 of the Municipal Systems Act, 2000 in this context. Efforts should be made to develop leadership and management skills at this level to ensure improved managerial capabilities .The post of the Director: Planning and Development has been phased out due to the size of the municipality and budgetary constraints.



The organogram has been adopted by council on the 31 May 2018. There are 240 posts in total. Out of 240 posts 213 posts are filled and 18 are vacant funded. There are also 9 vacant posts that are not budgeted for.

### **3.2.1 Location of Offices**

The Political seat of the municipality is located in Council Chamber (Main administrative building)

#### **Peddie Town**

The following departments are located in Peddie Town

Community Services-Ncumisa Kondlo Indoor Sport Centre

Office of the Municipal Manager –Main administrative building (ERF313)

Corporate Services –Old Library Hall

Infrastructure and Technical Services –New Technical Services Building

Budget and Treasury Office- Main administrative building (ERF313)

Traffic Section –Victoria Street, Peddie Town

#### **Hamburg**

Satellite Office –New municipal building



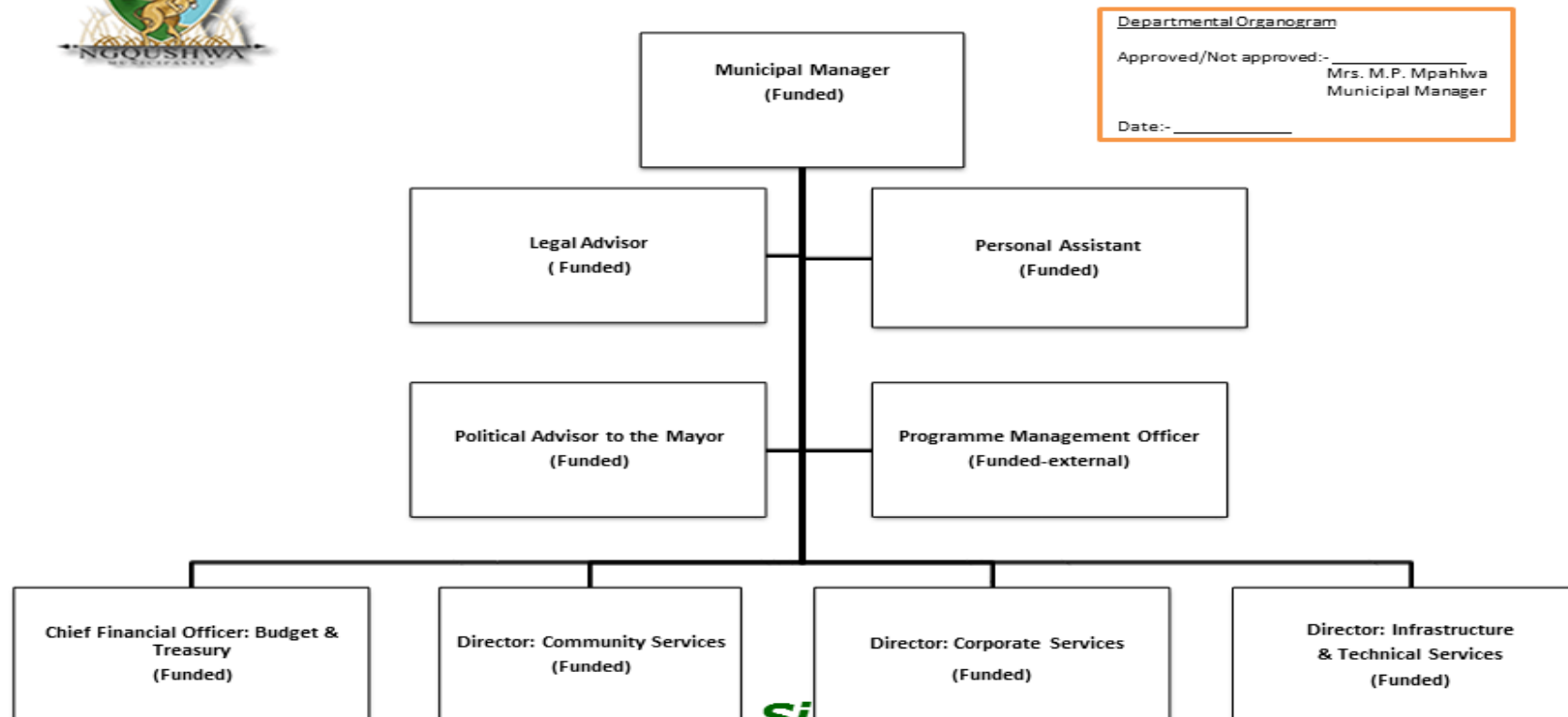
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019



Simanyane





--

Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019

Manager: Corporate Communications and Branding  
(Funded)

### Departmental Organogram

Approved/Not approved:-  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:-

Practitioner: Communications  
(Funded)

**"Sikhula Simanyene"**



Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019

Manager: Internal Audit and Risk Management  
(Funded)

Senior Risk and Internal Auditor  
(Funded)

Practitioner: Internal Audit x 2  
(Funded)

Practitioner: Risk Management  
(Funded)

### Departmental Organogram

Approved/Not approved:-  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:-

**"Sikhula Simanyene"**



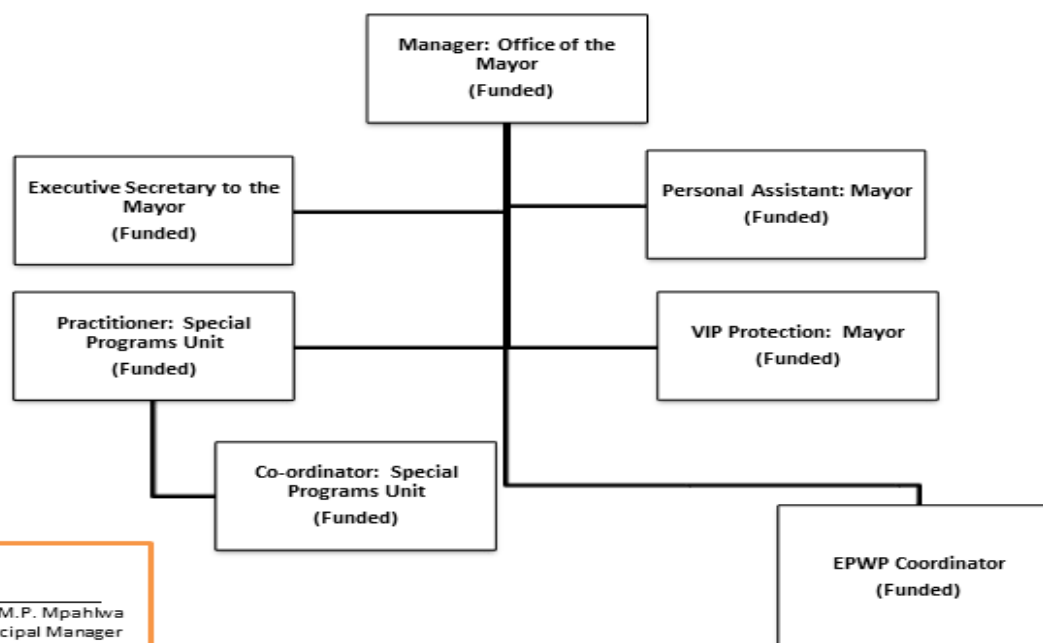
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019



### Departmental Organogram

Approved/Not approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

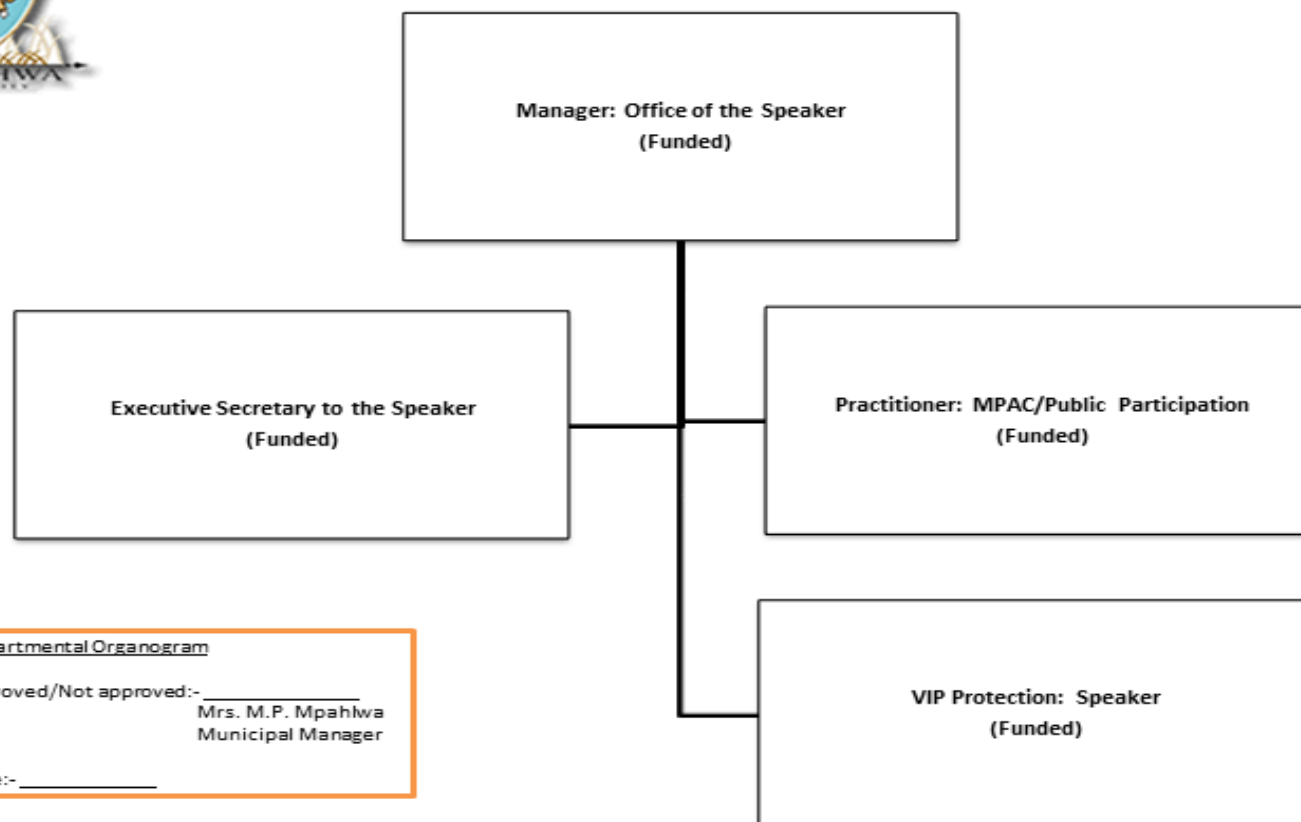
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019

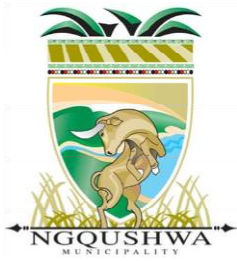


### Departmental Organogram

Approved/Not approved:- \_\_\_\_\_  
Mrs. M.P. Mphahwa  
Municipal Manager

Date:- \_\_\_\_\_

***"Sikhula Simanyene"***



--

Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## OFFICE OF THE MUNICIPAL MANAGER: 2018 - 2019

### Departmental Organogram

Approved/Not approved:-  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

Manager: IDP & PMS  
(Funded)

Practitioner: IDP & PMS  
(Funded)

***"Sikhula Simanyene"***



--

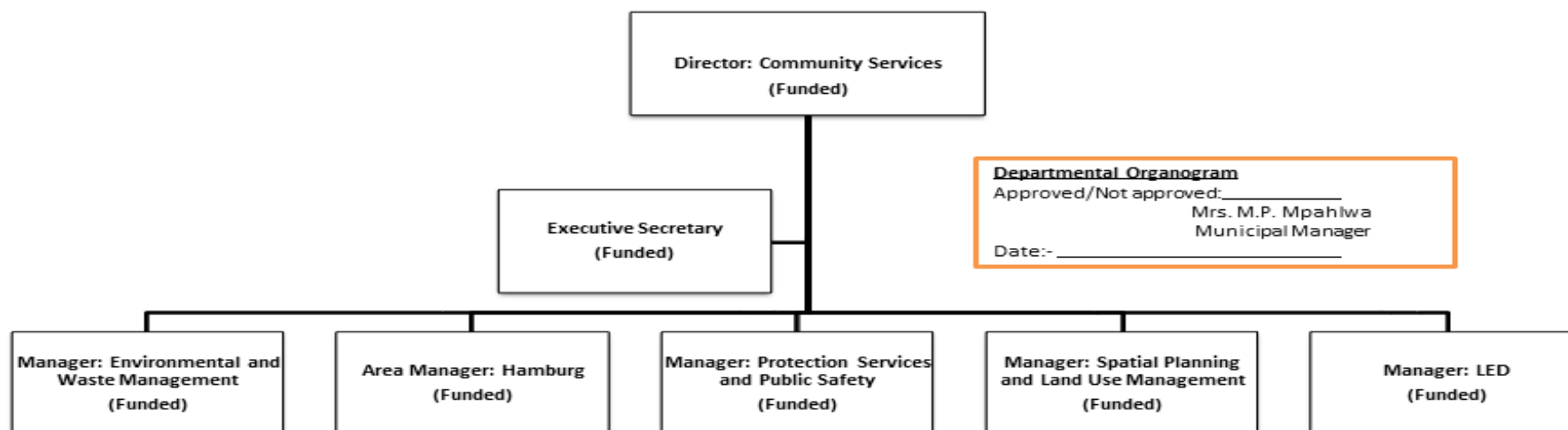
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019



***"Sikhula Simanyene"***





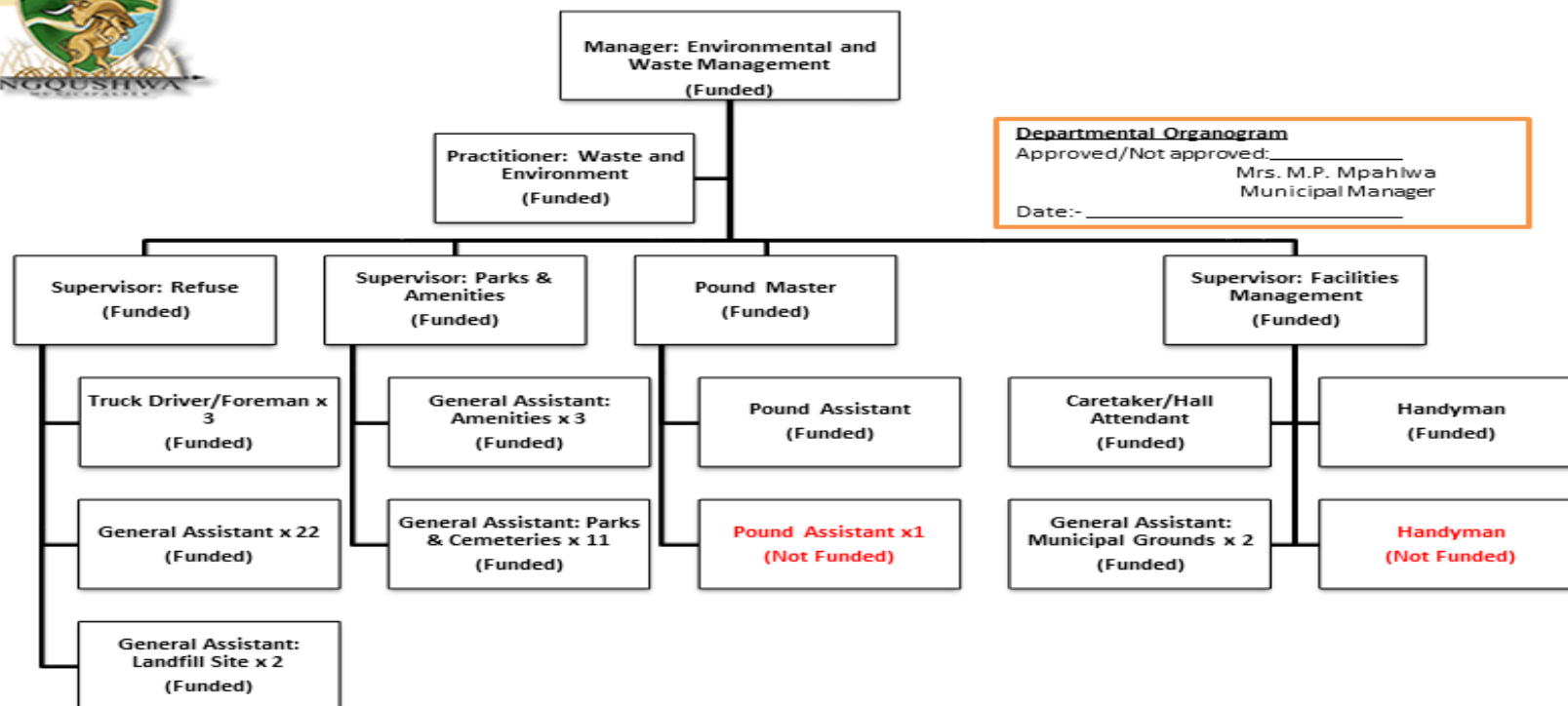
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019



**"Sikhula Simanyene"**



--

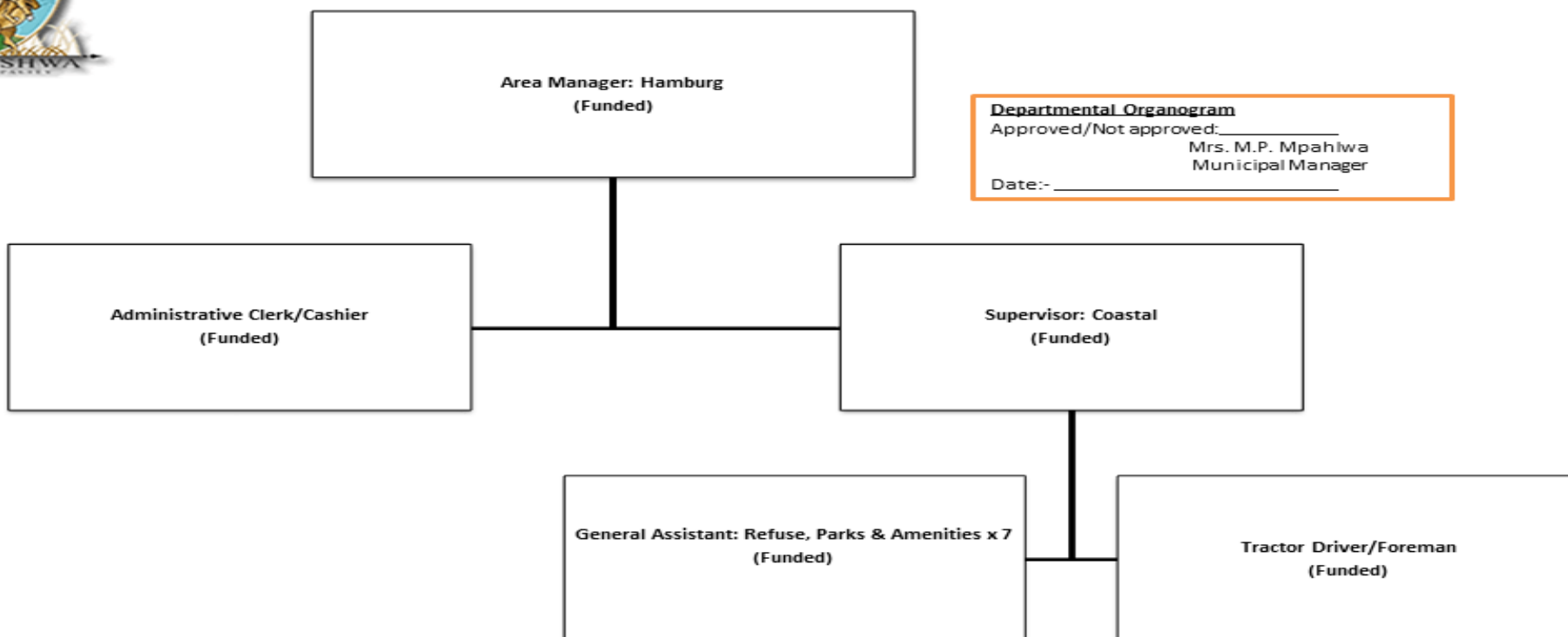
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019



**"Sikhula Simanyene"**



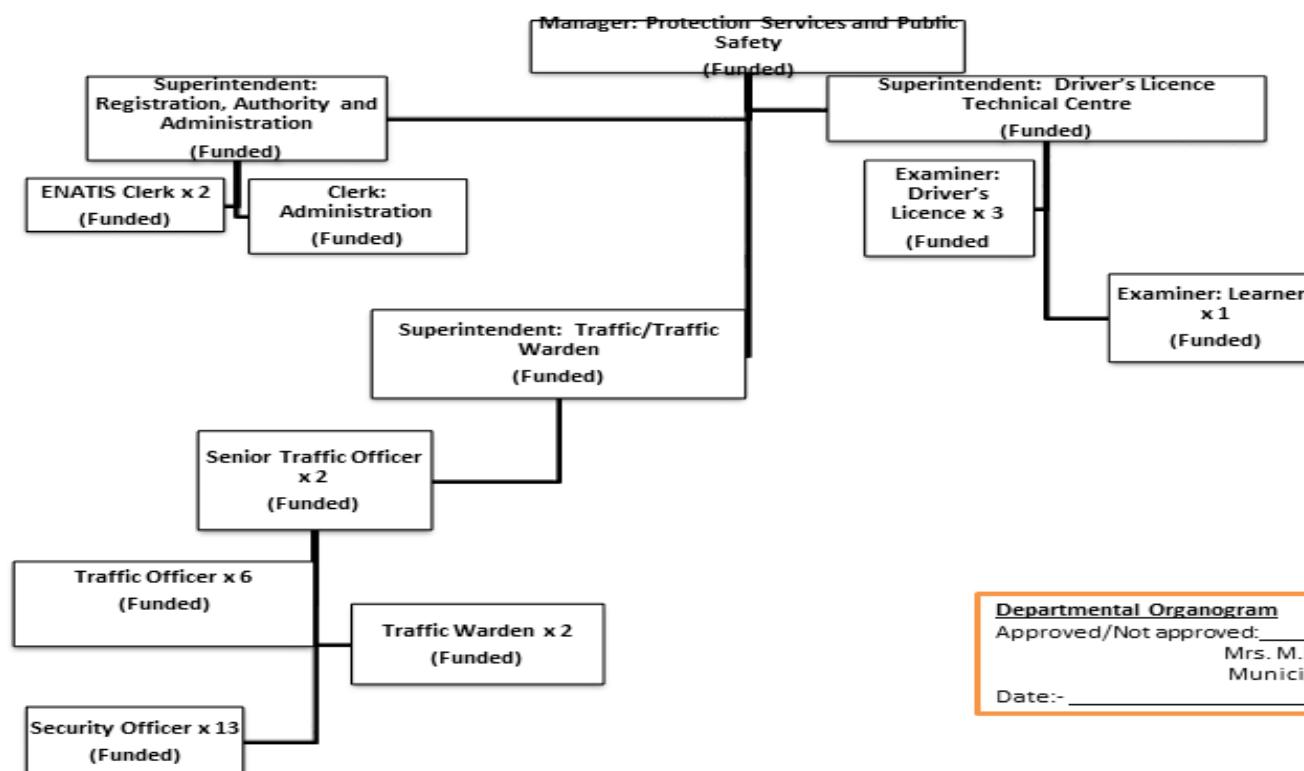
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019



### Departmental Organogram

Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager  
Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

Position Vacant and Not Funded

Position Vacant and Funded

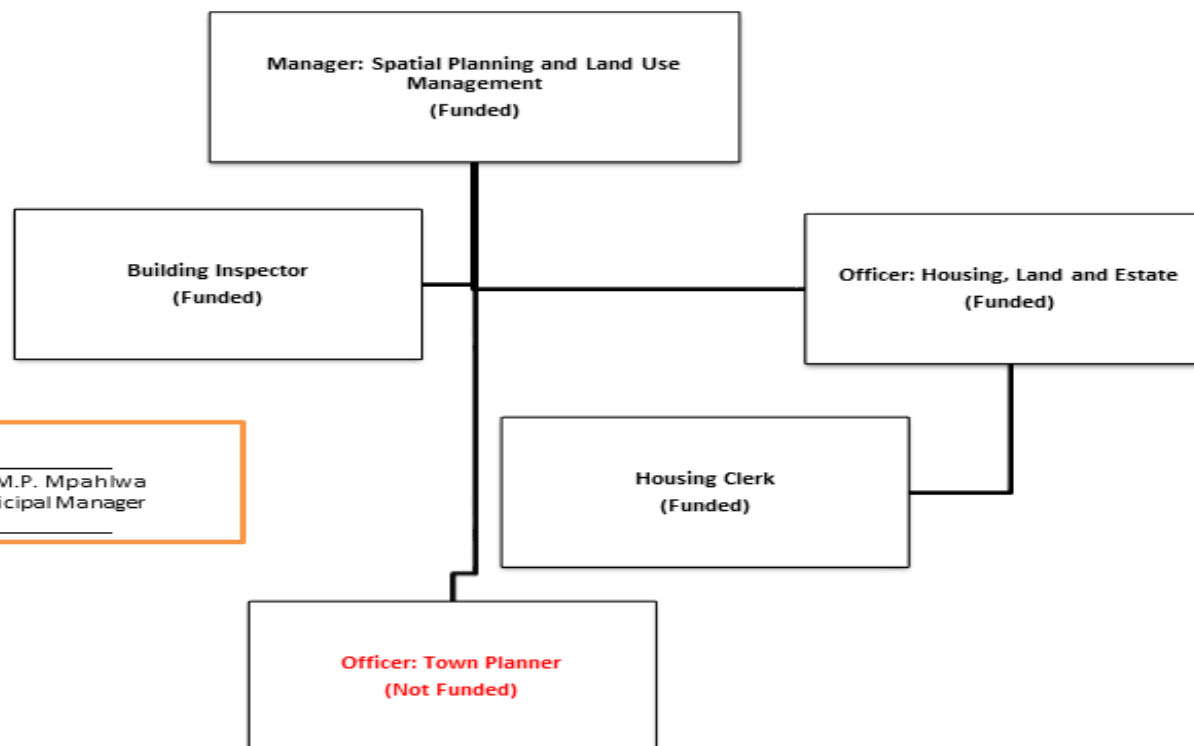
Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019

### Departmental Organogram

Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager  
Date:- \_\_\_\_\_



**"Sikhula Simanyene"**



--

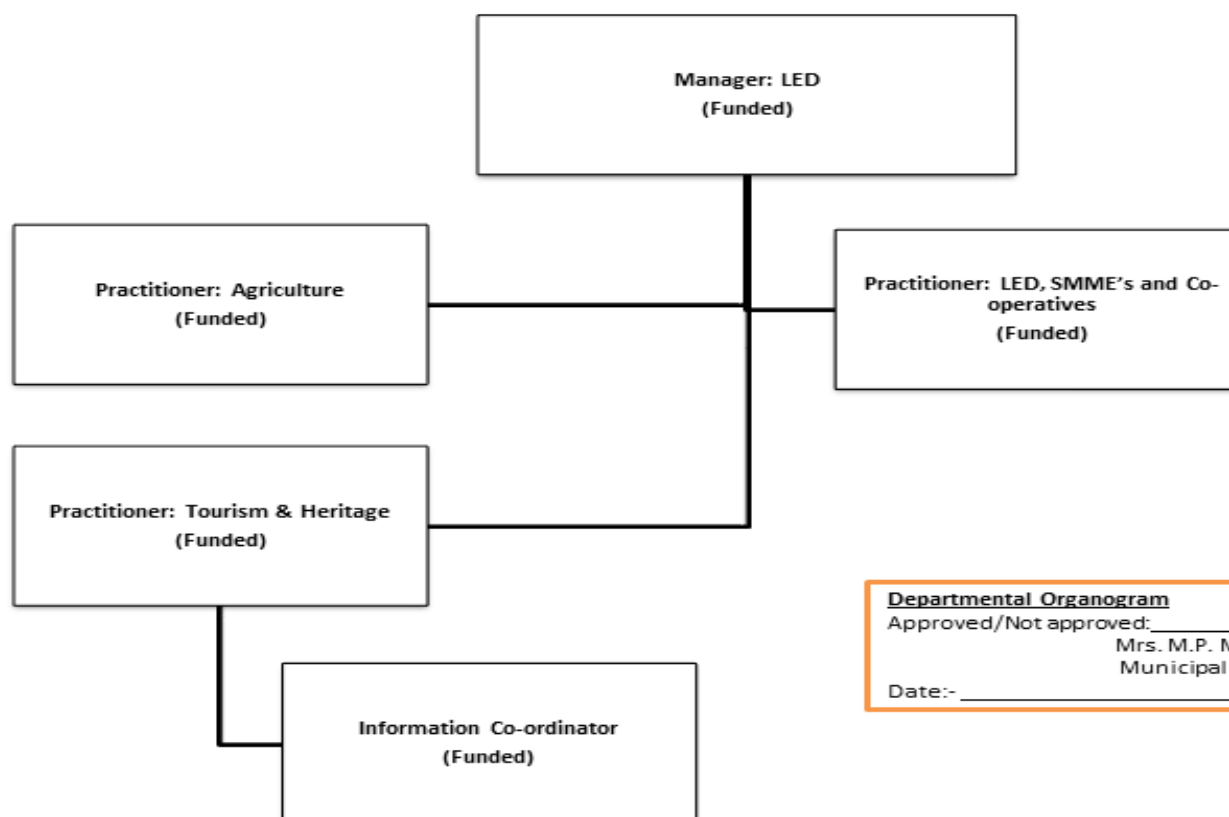
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: COMMUNITY SERVICES: 2018 - 2019



### Departmental Organogram

Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahiwa  
Municipal Manager  
Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

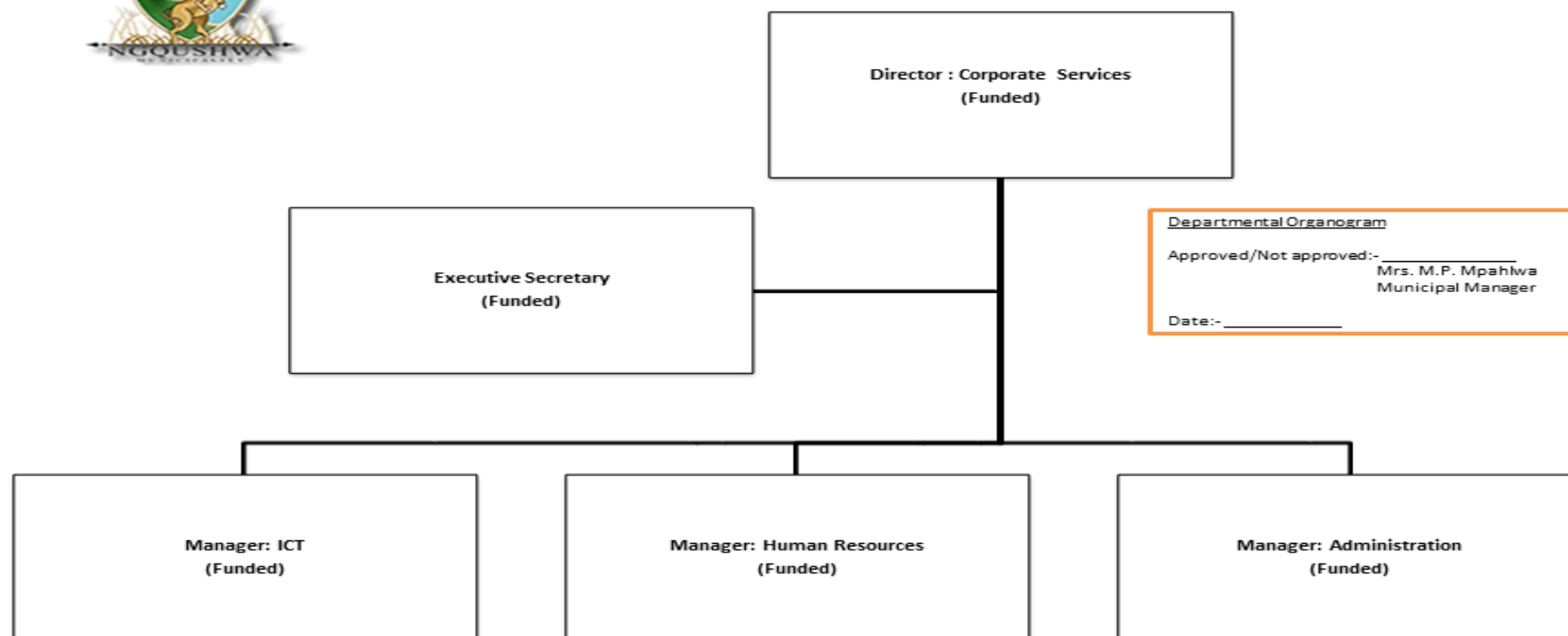
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: CORPORATE SERVICES: 2018 - 2019



**"Sikhula Simanyene"**





--

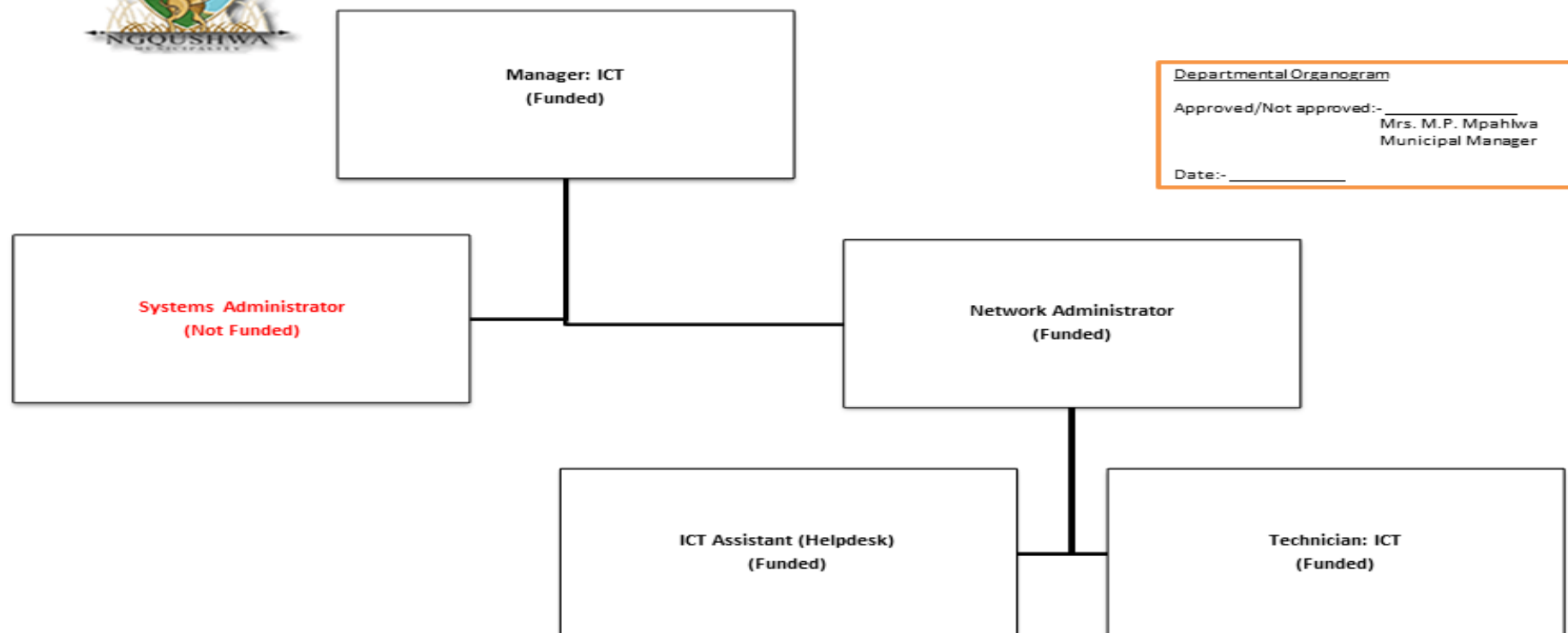
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: CORPORATE SERVICES: 2018 - 2019



**"Sikhula Simanyene"**



--

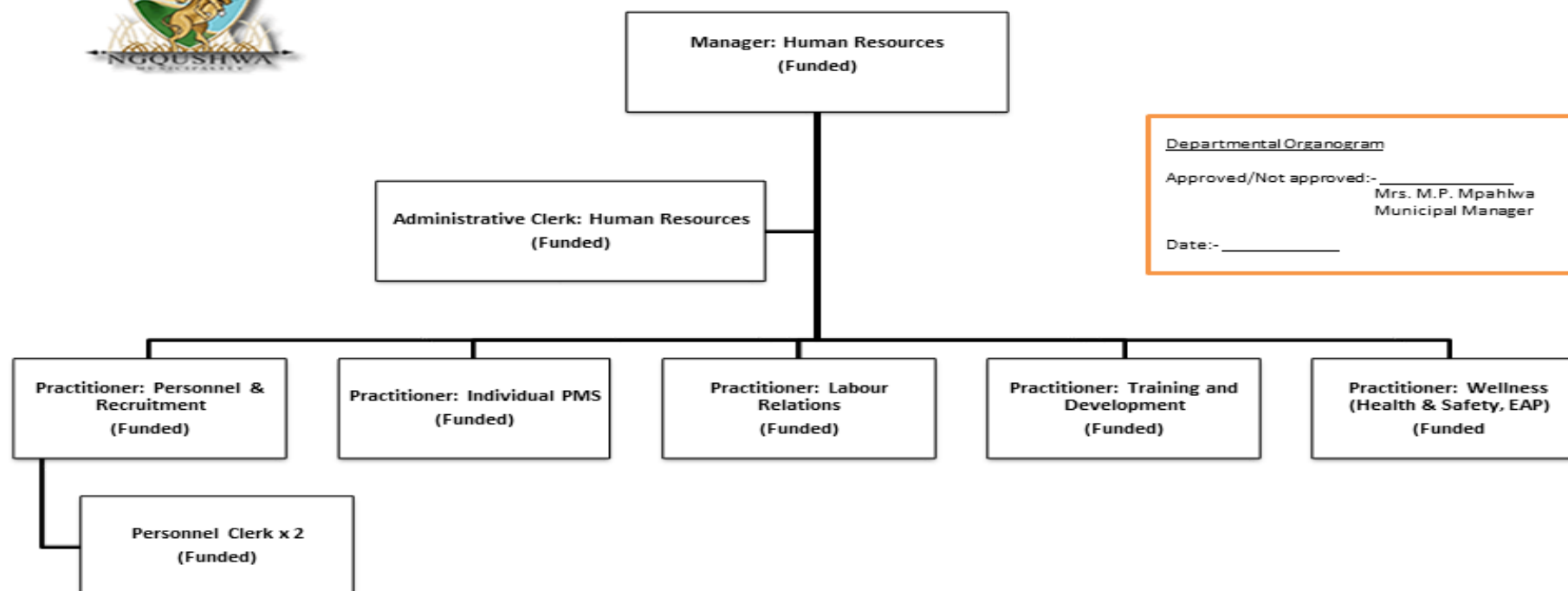
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: CORPORATE SERVICES: 2018 - 2019



***"Sikhula Simanyene"***



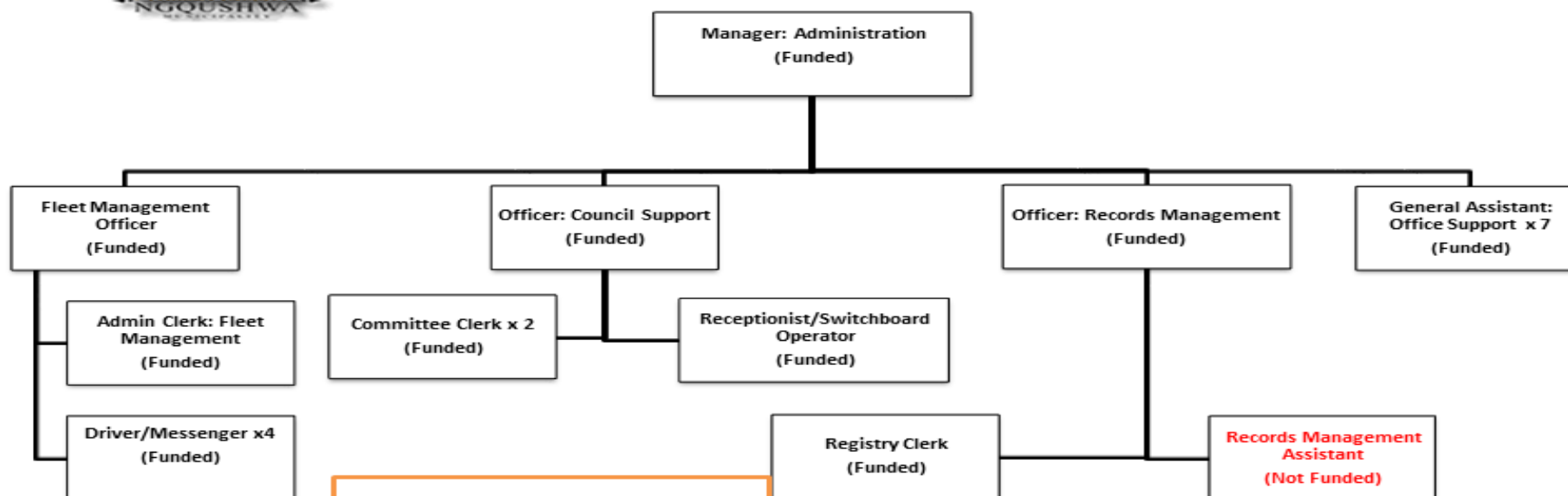
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: CORPORATE SERVICES: 2018 - 2019



Departmental Organogram

Approved/Not approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

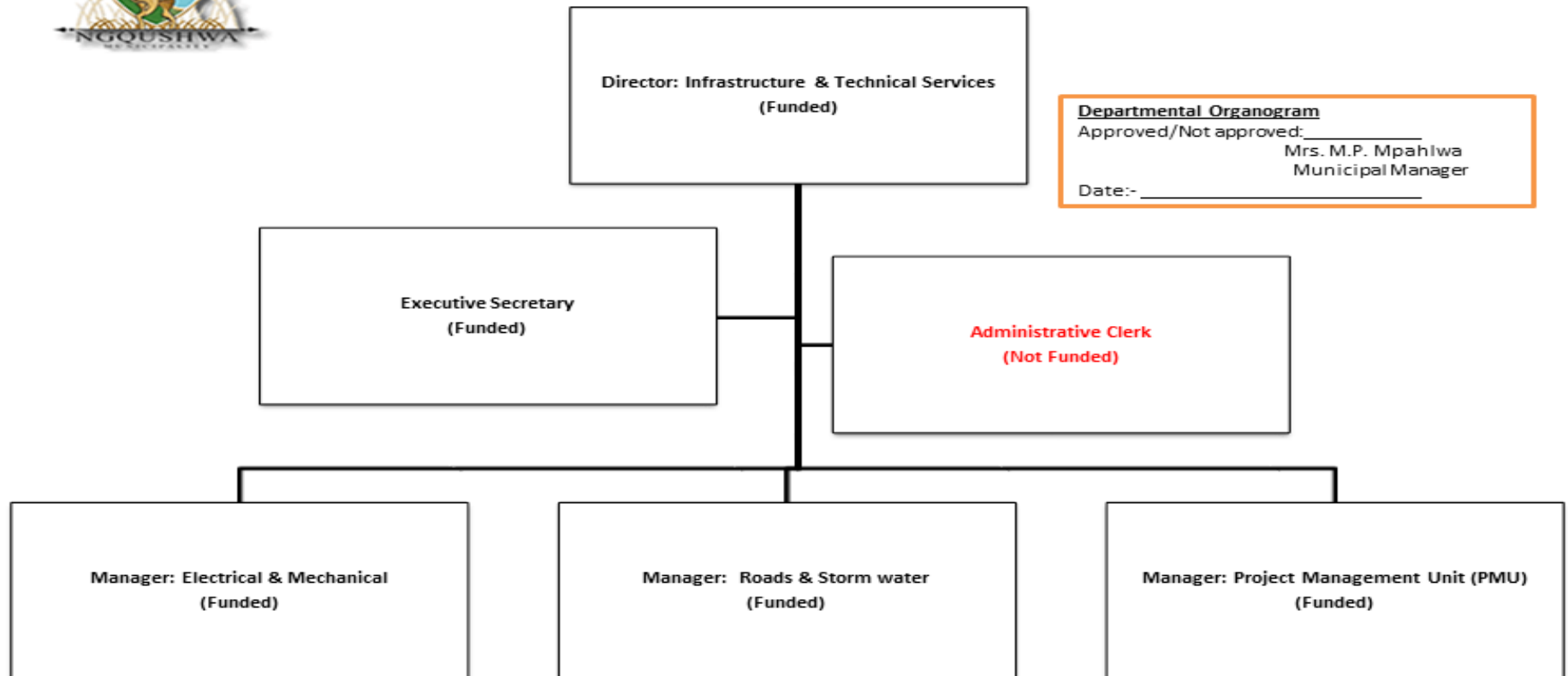
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position

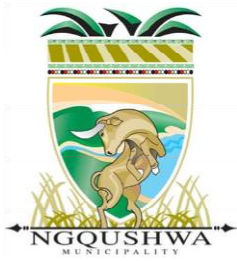


## DEPARTMENT: INFRASTRUCTURE & TECHNICAL SERVICES: 2018 - 2019



**"Sikhula Simanyene"**





--

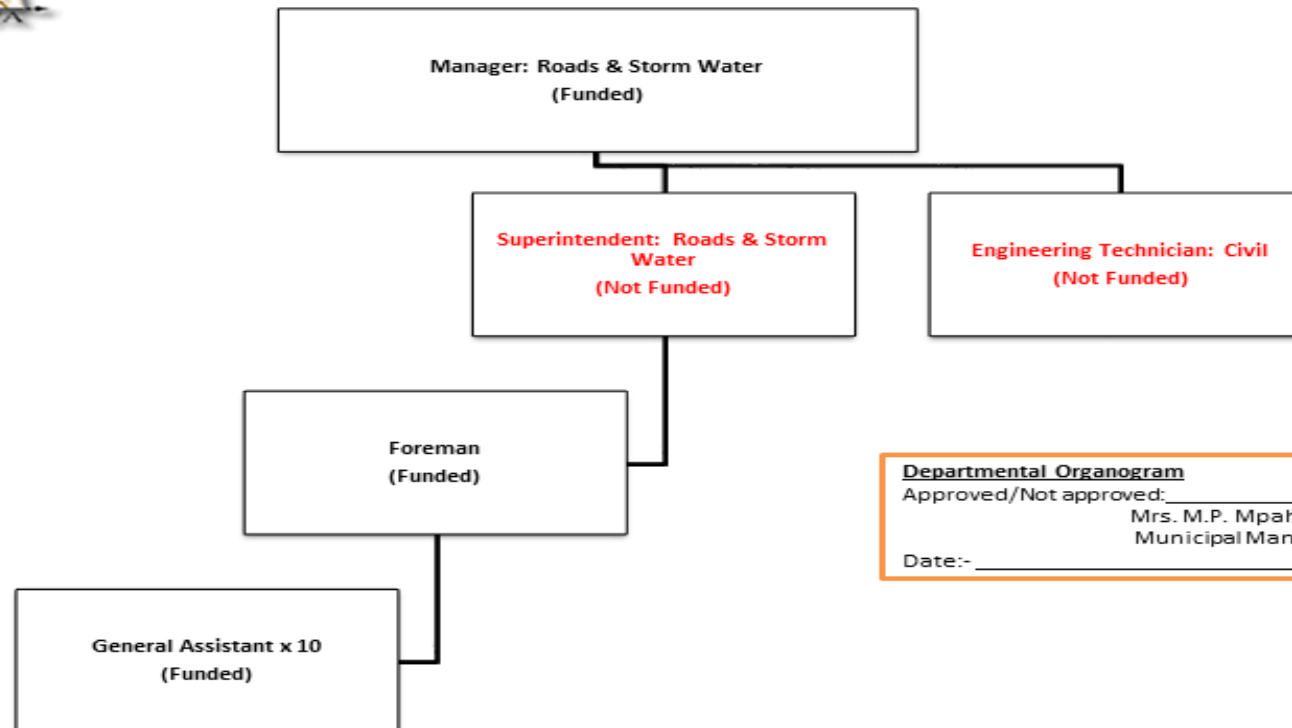
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



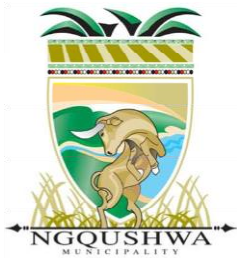
## DEPARTMENT: INFRASTRUCTURE & TECHNICAL SERVICES: 2018 - 2019



### Departmental Organogram

Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahliwa  
Municipal Manager  
Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

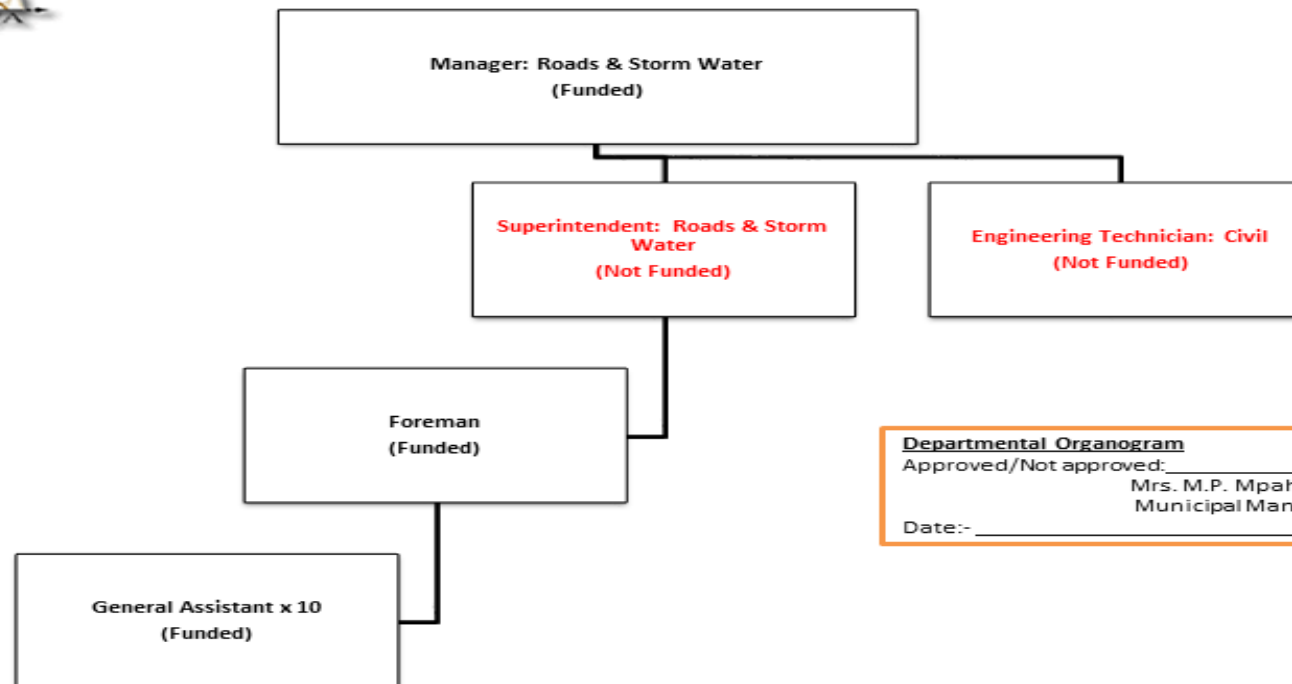
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: INFRASTRUCTURE & TECHNICAL SERVICES: 2018 - 2019



**Departmental Organogram**  
Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahliwa  
Municipal Manager  
Date:- \_\_\_\_\_

**"Sikhula Simanyene"**





--

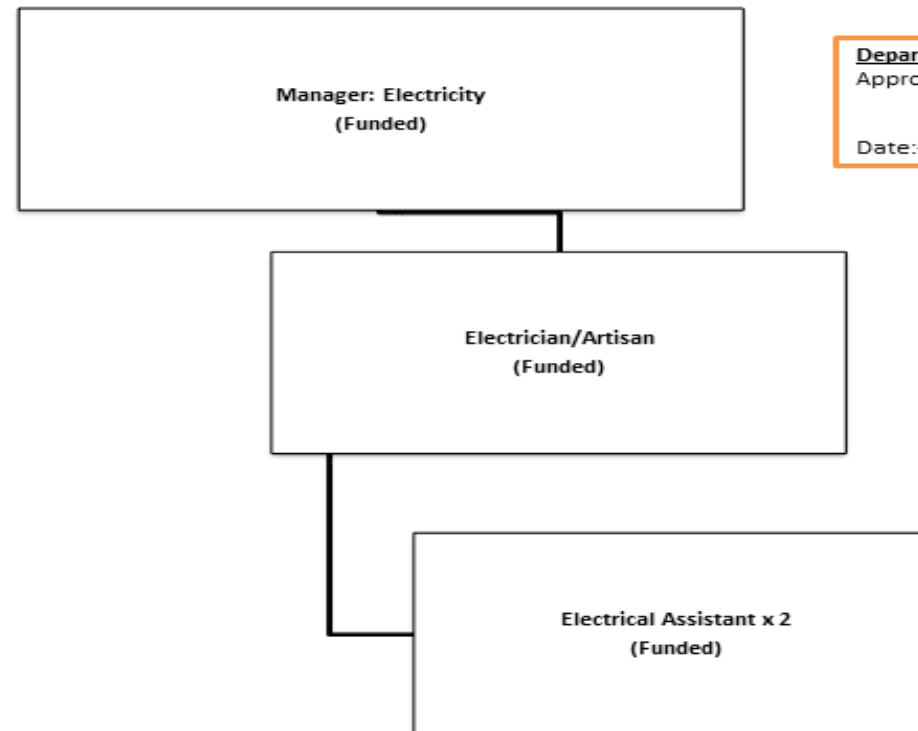
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



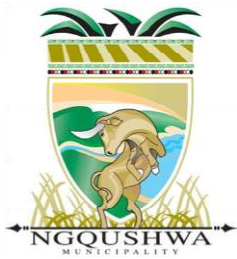
## DEPARTMENT: INFRASTRUCTURE & TECHNICAL SERVICES: 2018 - 2019



### Departmental Organogram

Approved/Not approved: \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager  
Date:- \_\_\_\_\_

***"Sikhula Simanyene"***



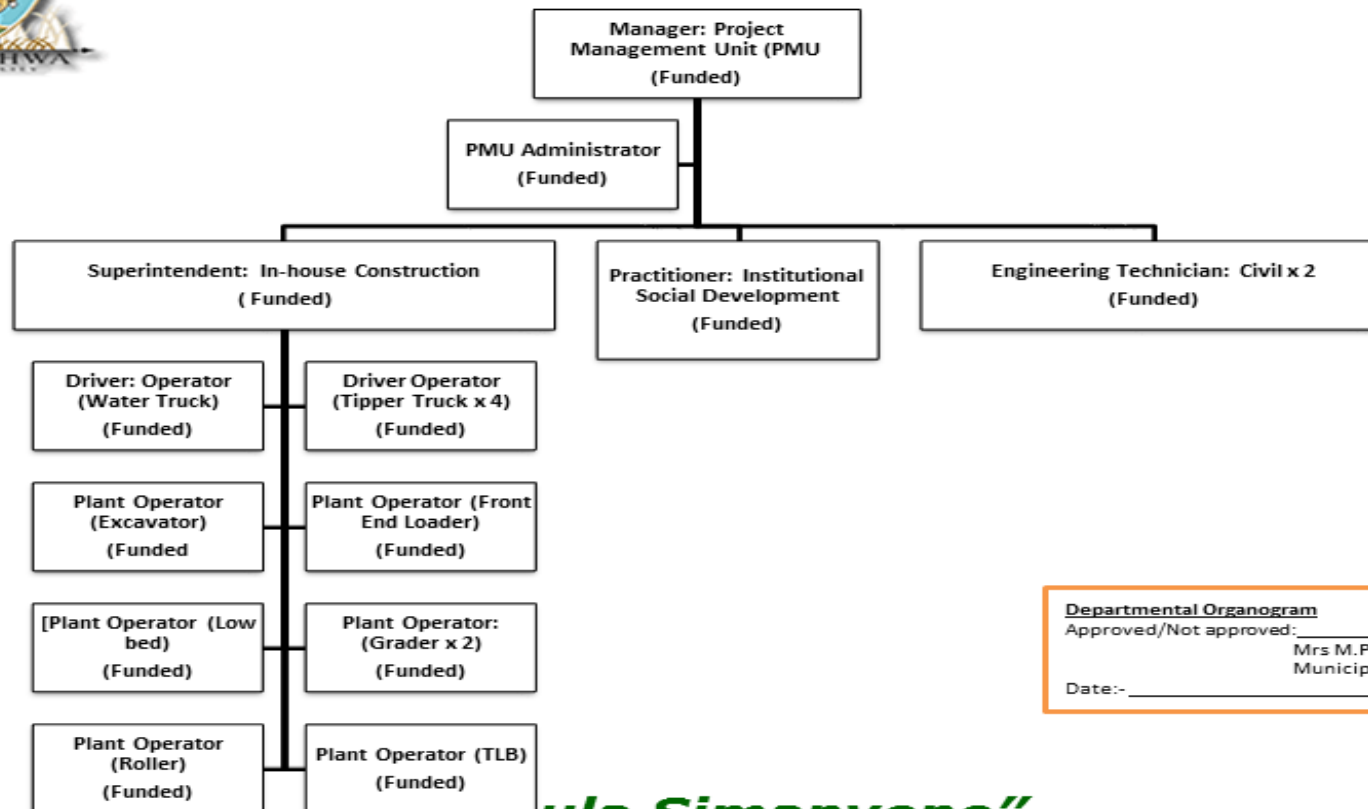
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: INFRASTRUCTURE & TECHNICAL SERVICES: 2018 - 2019



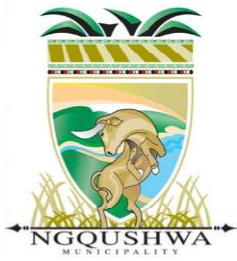
### Departmental Organogram

Approved/Not approved: \_\_\_\_\_

Mrs M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

*Sikrula Simanyene"*



--

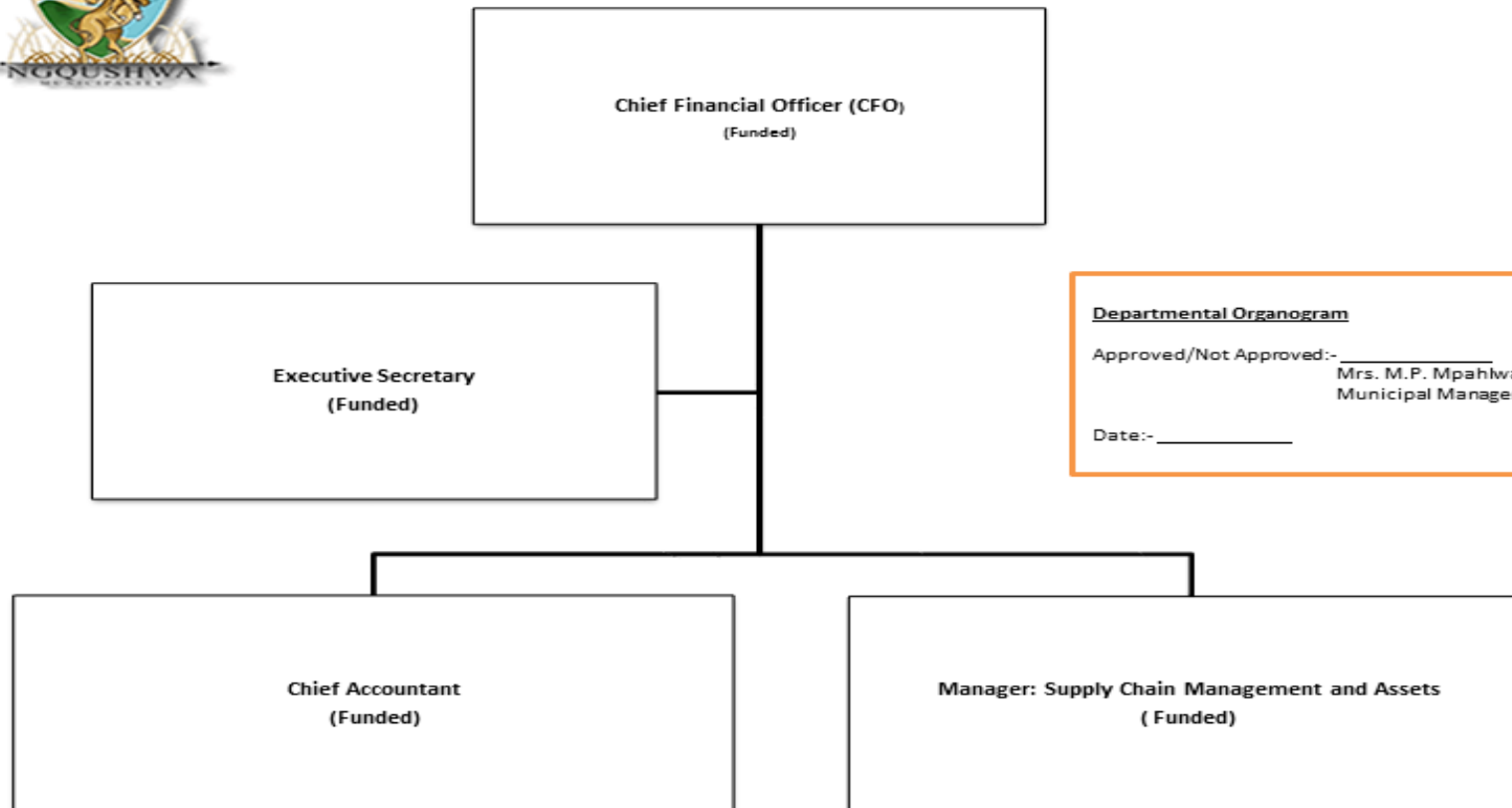
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019



**"Sikhula Simanyene"**



--

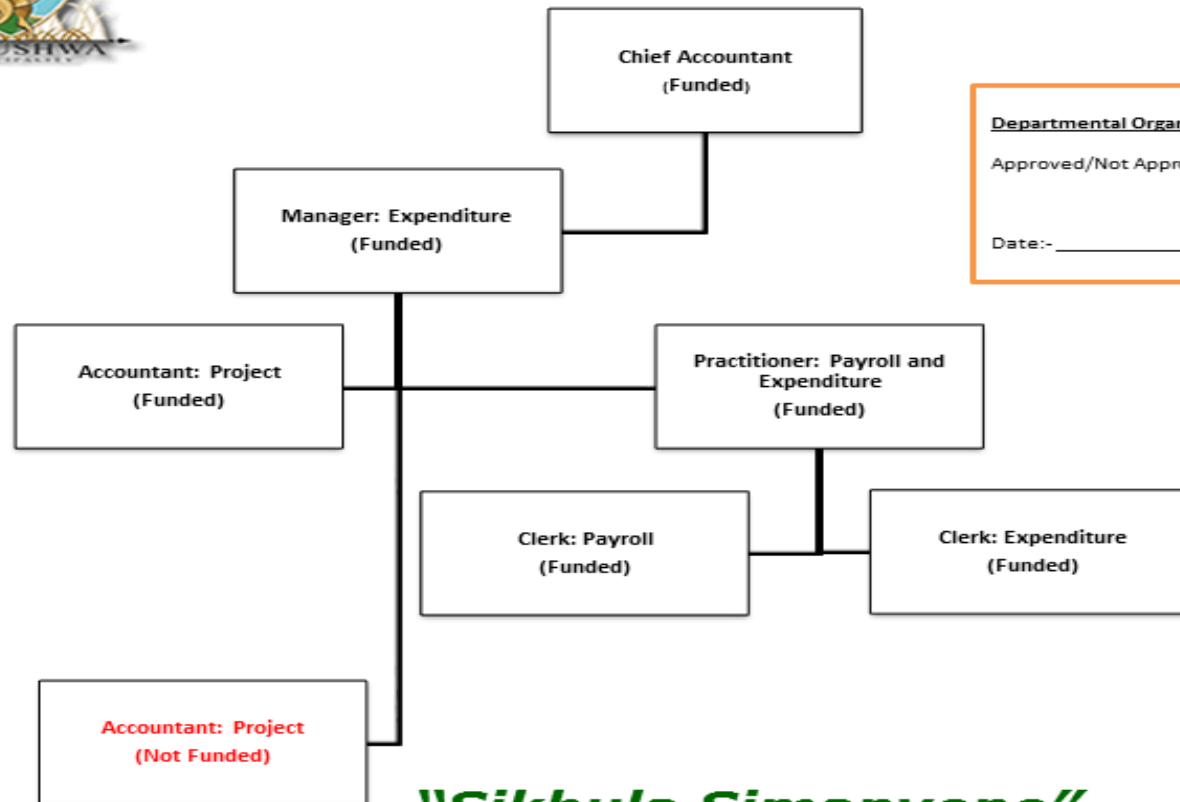
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019

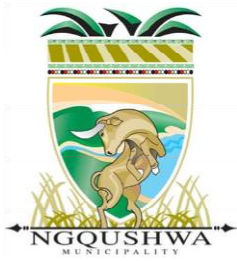


### Departmental Organogram

Approved/Not Approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

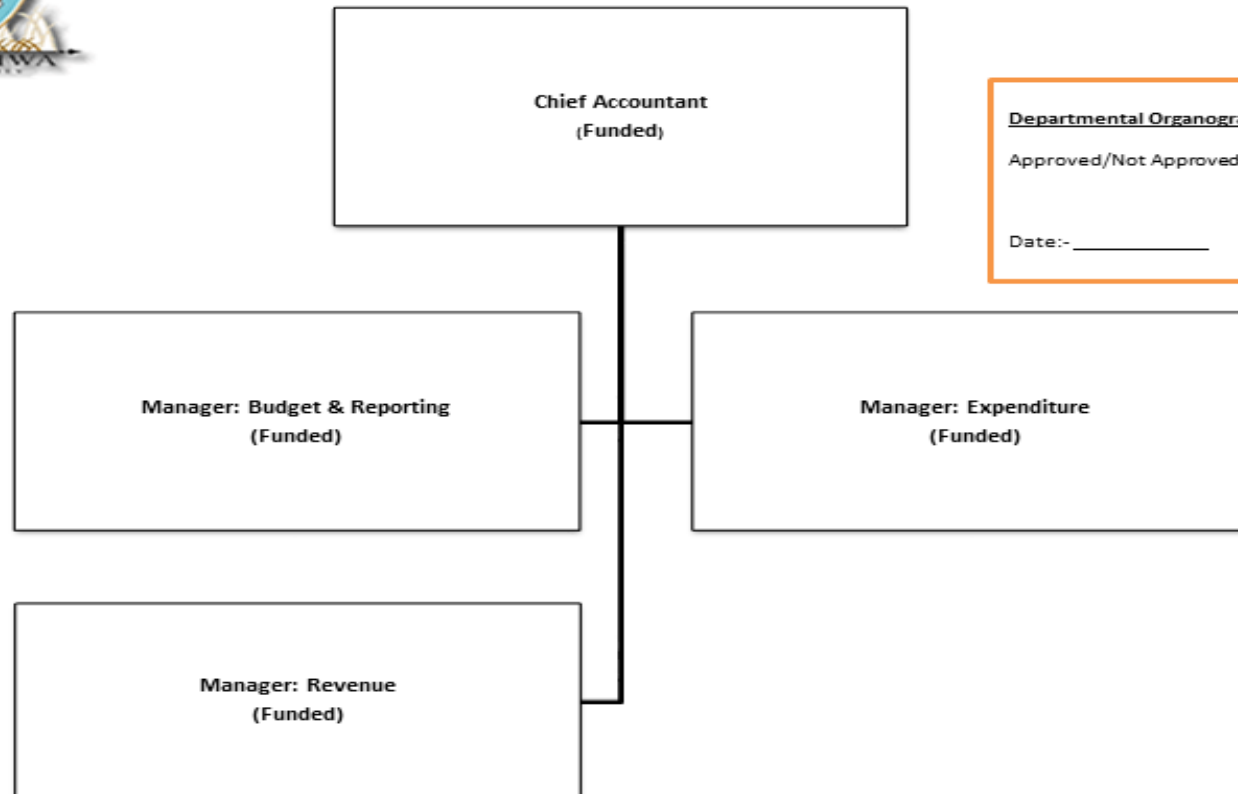
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019



### Departmental Organogram

Approved/Not Approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

**"Sikhula Simanyene"**



--

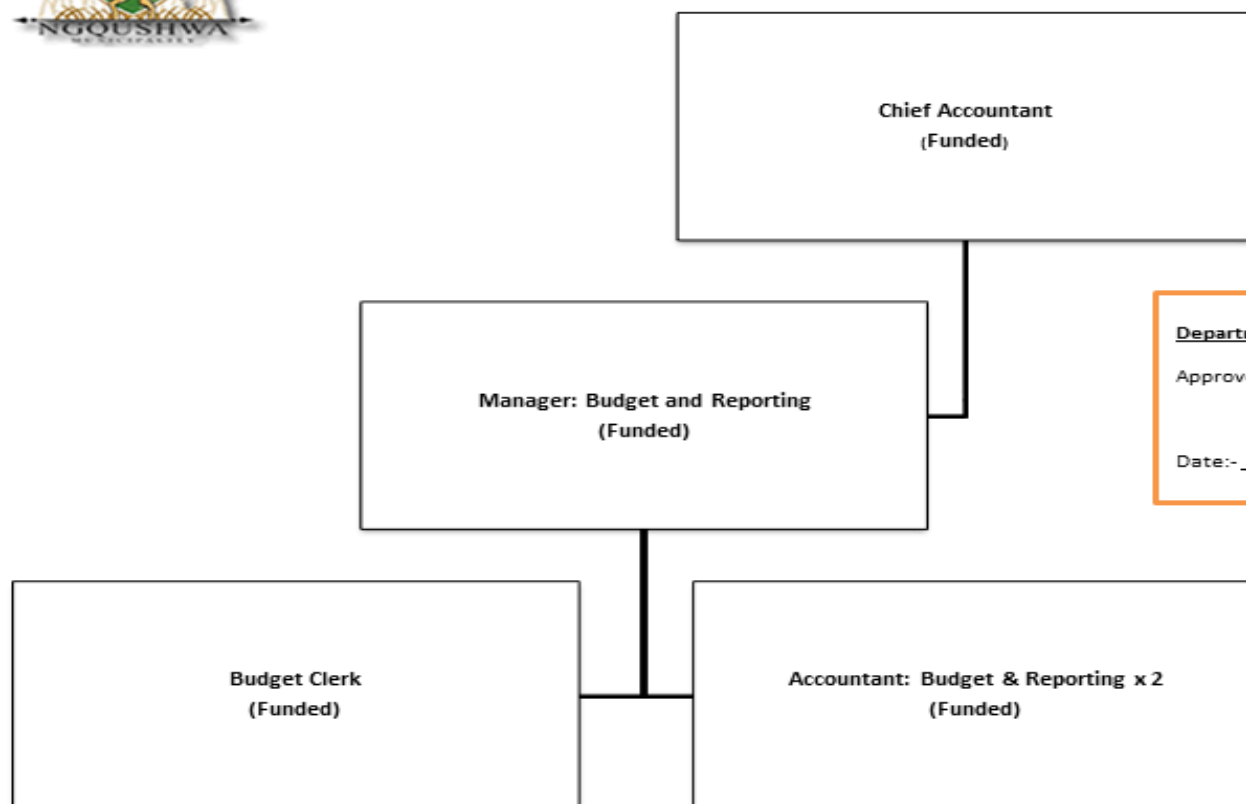
Position Vacant and Not Funded

Position Vacant and Funded

Critical Position



## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019



### Departmental Organogram

Approved/Not Approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_

***"Sikhula Simanyene"***



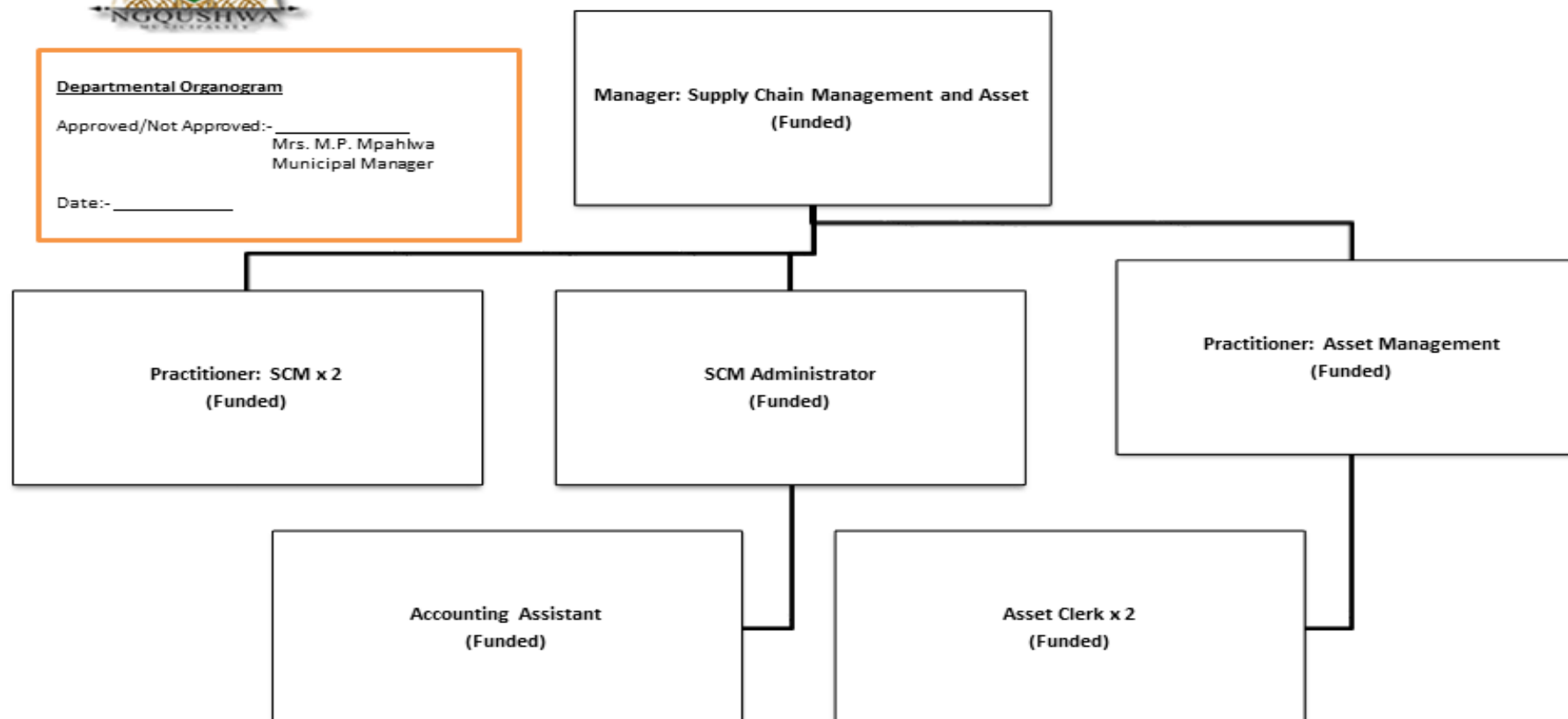


## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019

### Departmental Organogram

Approved/Not Approved:- \_\_\_\_\_  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_



***"Sikhula Simanyene"***

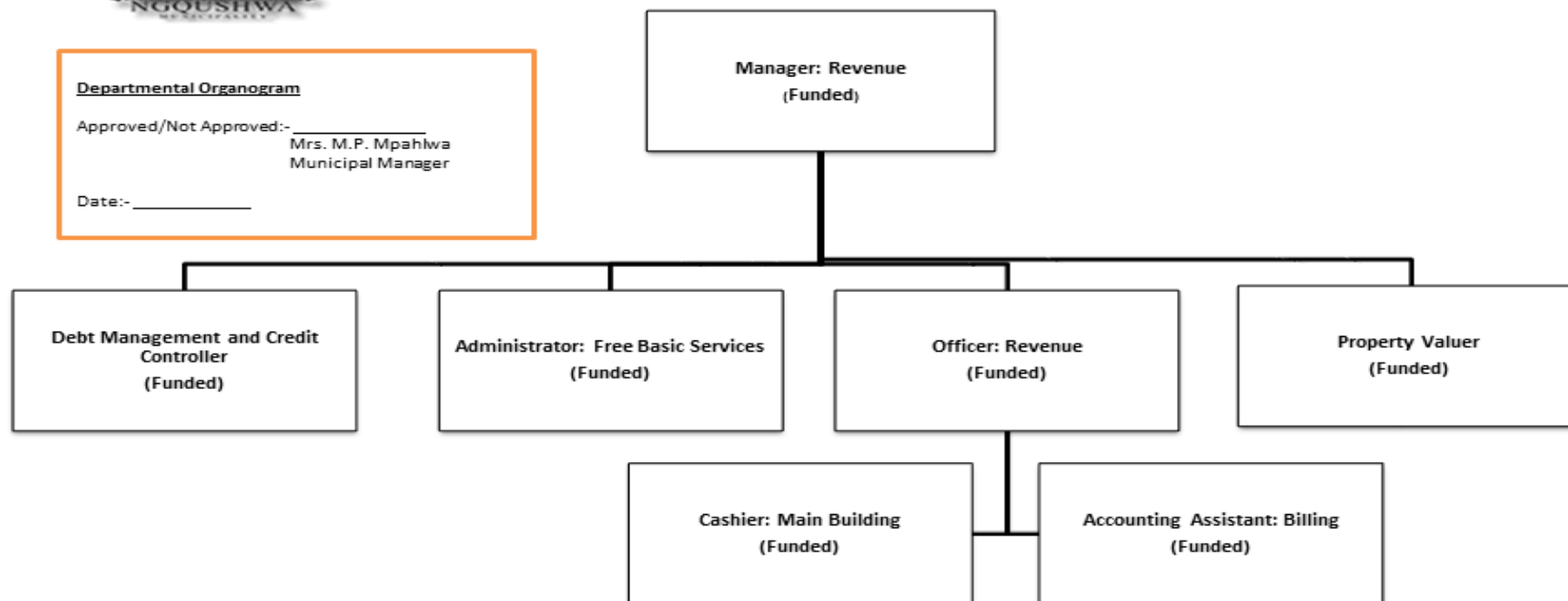


## DEPARTMENT: BUDGET & TREASURY: 2018 - 2019

### Departmental Organogram

Approved/Not Approved:-  
Mrs. M.P. Mpahlwa  
Municipal Manager

Date:- \_\_\_\_\_



***"Sikhula Simanyene"***





### **3.3 NGQUSHWA LOCAL MUNICIPALITY HUMAN RESOURCES STRATEGY.**

**Implementation of HR Strategy** – To ensure continuous implementation of Municipal vision and mission through Human Resources Management plan

The municipality has the Human Resources strategy in place which has been adopted by Council from 2018 -2021. The HR Strategy guides the municipality on how to implement human resources interventions in relation to career development and human capital management.

The HR strategy consists of the strategic HR components to ensure that strategic objectives and goals are achieved. A detailed SWOT analysis and a supporting plan for the municipality to recruit, train, develop and retain talented employees is in place.

The HR Strategy is implemented in conjunction with the following Human Resources policies:

- Recruitment and Selection Policy
- Training and Development Policy
- Attraction and Retention Policy
- Employment Equity Policy
- Employee Study Assistance Policy
- Occupational Health and Safety Policy
- Promotion and Transfer Policy
- Secondment Policy
- Time and Attendance Policy
- Leave Policy
- Code of Conduct Policy
- Disciplinary Code and Procedure Policy

## **N.4 FUNCTIONS OF THE MUNICIPALITY**

### **3.4.1 Office of the Municipal Manager**

The Municipal Manager as the head of the administration is responsible and accountable for tasks and functions as provided for in the Local Government: Municipal Systems Act, No. 32 of 2000 and Chapter 8 of the Local Government: Municipal Finance Management



Act, No. 56 of 2003. The Municipal Manager is also the Municipal Electoral Officer for the municipality.

The office of the Municipal Manager is also responsible for the following:-

- Responsible for the establishment and maintenance of a strategic management system for the municipality as a whole to ensure the achievement of the municipality's strategic objectives and its developmental and service delivery obligations.
- Development of Integrated Development Plan (IDP).
- Oversee the implementation and maintenance of the municipality's integrated development plan (IDP) to ensure the proper execution of the IDP
- Strategic management of the effective and efficient provision of services to the local community to ensure that services are delivered in a sustainable and equitable manner
- Develop and monitor policies at the strategic management level to ensure its purposefulness and efficiency.
- Assist the municipality in the internal control systems evaluations by coordinating internal audit assignments in accordance with the assignment plan
- Assist the municipality in the internal control systems evaluations by Undertaking of strategic risk analysis and management
- Undertake functions of good public relations, marketing of the municipality and its jurisdiction
- The focus of SPU is extended to development and implementation of special programmes, namely:-HIV and Aids, youth development, gender, sport, elderly and the disabled people within Ngqushwa Municipality.
- Oversee legal services of the municipality relating to litigation and contract management

The total number of direct reports to the Municipal Manager is eleven (11) inclusive of those within his/ her office.



Directors of departments report to the Office of the Municipal Manager. In realizing the administrative objectives of the Municipality, top management discusses administrative strategies at Management Committee (MANCO) meetings.

### **3.4.2 Infrastructure and Technical Services Department**

The Infrastructure and Technical Services is responsible for the development and implementation of processes, systems and strategies designed to procure and sustain infrastructural capacity required by the municipality in its quest to provide quality services to the community as well as ensuring that resources at the municipality's disposal are equitably distributed to all areas of operation to enhance service delivery to benefit the people.

This entails ensuring the provision of acceptable technical services in respect of /electricity and building projects. The Department is also responsible for the following:

- Coordinate with the District Municipality to ensure delivery of water and sanitation services.
- Coordinate to ensure effective electricity distribution to consumers (Develop and implement monitoring mechanisms for provision of electricity by Eskom);
- Ensure effective project design, planning and management of technical projects;
- Provision of effective repairs and maintenance of municipal infrastructure;
- Appraise/ report to Council and EMT on any infrastructure related projects of the Municipality ;
- Ensure compliance to building maintenance regulations as per National Building Regulations;
- Provision of municipal public works to any of the functions within the Municipality;
- Construction and maintenance of roads and storm water infrastructure;
- Execution of council resolutions relating to infrastructure and technical services.





### **3.4.3 Community Services Department**

The Community Services Department is responsible for ensuring provision of an acceptable standard of Social Services, Emergency Services, Environmental and Health Services, Community Safety and Road Traffic Management as well as Sports, Arts and Cultural Services to the communities. The Department will also be responsible for the following:

- Provision of efficient and coordinated health and occupational health services,
- Manages and monitors the implementation of pollution and environmental degradation prevention strategy (Develop and implement monitoring mechanisms for the provision of this services by the District Municipality );
- Provision of efficient and coordinated firefighting services (Develop and implement monitoring mechanisms for provision of this services by the District Municipality );
- Manages and monitors the implementation of crime prevention strategies thereby improving safety and security in communities;
- Develops and implements strategies to stimulate, promote and develop Sports, Arts and Culture and other recreational activities;
- Ensure compliance to building health regulations;
- Provide approved building plans and site inspections
- Development and management of waste disposal sites;
- Proper management of Municipal community facilities including, sport fields and community halls;
- Public spaces and recreation centres, parks and facilities;
- Provision of Safety and Security in municipal area;
- Management and stimulation of economic development within the Municipality
- Develops and implements the strategic plan, policies and programmes for the local economic rejuvenation;
- Identify local economic opportunities and advise local businesses to take advantage of them;
- Identify suitable land for agricultural purposes, developed business plans and render a coordinated advisory service on economic development issues;
- Develop, review and maintain the LED Strategy/ Plan;



- Develop investment policies that will attract funding and investment growth for various basic community needs and projects;
- Management and stimulation of economic development within the Municipality;
- Develops and implements the strategic plan, policies and programmes for the local economic rejuvenation;
- Identify local economic opportunities and advise local businesses to take advantage of them;
- Identify suitable land for agricultural purposes, developed business plans and render a coordinated advisory service on economic development issues;
- Develop, review and maintain the LED Strategy/ Plan;
- Conduct research in terms of local economic development and planning;
- Approval of Building plans and building control function.
- Develop, review and maintain the SPLUMA aligned SDF
- Develop Land Use Management plans
- Perform Land Audit

#### **3.4.4 The Budget & Treasury Department**

The department is responsible for providing strategic direction on financial planning, management and accounting as well as guidance and support to the senior managers within the Municipality regarding the implementation of and compliance with the Municipal Finance Management Act and related Treasury Regulations. The Department is also responsible for the following:

- Establish/maintain an efficient and transparent system of financial management and internal controls to ensure sound financial control by developing, implementing and monitoring financial control systems;
- Establish/maintain appropriate policies, systems and procedures to ensure effective and efficient management of resources by maintaining updated financial guidelines and ensuring adherence to these policies & procedures;
- Prepare financial statements for each financial year in accordance with the generally recognised accounting practices by ensuring the production of

financial reports of the Municipality as well as providing oversight and management of reconciliations of sundry and suspense accounts;

- Ensure that revenue and expenditure of the Municipality are in accordance with internal controls (budgets) and legislative prescripts governing finance within the Municipality by maximising revenue collections, optimising expenditure, monitoring cash flow as well as ensuring that expenditure is within allocation limits;
- Follow up on the implementation of actions resulting from Audit Committee and Auditor-General's reports by developing effective implementation strategy for implementation of corrective measures;
- Effective management of Supply chain management.

### 3.4.5 The Corporate Services Department

The department is responsible for administration, human resources, document management, Information & Communication Technology and fleet management .In addition to oversight of the central administrative functions of the Municipality, the role of the Corporate Services Department will also be to provide secretarial services and guidance to Council and other governance structures of the Municipality, and safeguarding the interests of the municipal stakeholders (communities and staff). The Municipal Structures Act, 1998 identifies three primary areas that fall under the auspices of the corporate services:

- **The Council support:** Guides the councillors as to their duties and responsibilities and makes them aware of relevant legislation and regulations; ensures proper orientation and induction of councillors; provides practical support and guidance (including training) and raises matters of importance; ensures that councillors have access to information and manages council papers and documents (council resolutions and record keeping).
- **The Municipality: Ensures** statutory and regulatory compliance; ensure council resolutions are communicated to relevant persons for execution; provides guidance and advice on ethics and good governance.

- **Human Resources:** The section is responsible for all functions of Human Resources. Ensuring professionalism at all times, implementation of policies and procedures relating to HR, including recruitment, training and development, disciplinary procedures, Performance Management System, development of Workplace Skills Plan and Annual Training Report and conditions of employment. Ensuring that all levies due to be refunded by the SETA are claimed and received. Payroll Administration (actual payment done by finance departments) The Human Resources Section amongst other functions, coordinate development, review and implementation of municipal organisational structure.
- **ICT Services:** The section is responsible for all functions of Information Communication Technology that relates to the implementation of ICT strategy and ICT governance framework. The ICT section is also responsible for the management of server, computer hardware, telephones and cellphones service and conduct data backup.

### 3.4.7 Personnel related information

This is the administrative nerve centre that sends pulses throughout the Municipality and therefore, the office needs to be capacitated to realise its mandates in support of the Municipal Manager.

- Total costs of positions – R 4 800 000 Per Month

Departments that have contract employees excluding Directors

List of contract employees		
Department	Position	Initials and Surname
Office of the Municipal Manager	Internal Audit Manager	N. Mbadu
Office of the Municipal Manager	Political Advisor:Mayor	N. Ndabazonke
Office of the Municipal Manager	Manager : Office of the Manager	B.Mfunda
Office of the Municipal Manager	Manager :Office of the Speaker	N. Ncapayi

Office of the Municipal Manager	VIP Protection of the Speaker	L. Mkonkqo
Office of the Municipal Manager	Personal Assistant: Mayor	L. Jack
Budget & Treasury Office	Expenditure Manager	L. Songca
Budget & Treasury Office	Finance Intern	S. Halana
Budget & Treasury Office	Finance Intern	N. Boqwana
Budget & Treasury Office	Finance Intern	N. Mapuma
Budget & Treasury Office	Finance Intern	O. Xotyeni
Budget & Treasury Office	Finance Intern	S. Ncamiso

Table: List of contract employees

### 3.4.8 Municipal staff registered with professional bodies

Department	Total number of managers	Total number registered in the accredited professional body	Total number pending registration confirmation in the accredited professional body	Total number not yet registered in the accredited professional body
Infrastructure Development	3	2	0	1
Office of the Municipal Manager	5	1	0	4
Corporate Services	2	0	0	2
Budget & Treasury Office	6	2	0	4
Community Services	5	1	0	6

Table: Municipal staff registered with professional bodies

## 3.7 EMPLOYMENT EQUITY

**Strategic Objective:** To build and enhance the human resource capacity of the municipality.



Ngqushwa Local Municipality recognises the legacy of past discrimination during which people were denied opportunities to quality education, employment and development on the basis of race, gender, HIV/AIDS, marital status, sexual orientation, religion; ethnic/social origin, age and disabilities. In endeavour to redress those imbalances, Ngqushwa Local Municipality has committed itself to the principles of equal opportunities, fair employment practices and people development:

- Ngqushwa Local Municipality is committed to redressing the past legacies through the establishment of Employment Equity Forum;
- In order to guide its implementation process and review, the municipality developed an Employment Equity Plan covering a period between 2017 and 2022 which was adopted on the 30 May 2017;
- The plan needs to be continually reviewed and updated annually to ensure that it is consistently in line with the economic realities of the Municipality.

### 3.8 HUMAN RESOURCE DEVELOPMENT

**Strategic Objective:** To build and enhance the human resource capacity of the municipality.

Ngqushwa Local Municipality has a primary purpose to provide accredited, quality training for both employed and unemployed youth within its jurisdiction. This is in line with the Skills Development Act No. of 97 of 1998, Skills Development Levy Act No. 09 of 1999, South African Qualifications Authority (SAQA) Act No 58 of 1995 and Employment Equity Act No 55 of 1998.

The unit co-ordinates, monitors and evaluates all skills development initiatives to ensure that they enhance Service Delivery and Corporate Governance, as well as improve financial viability of the municipality within its jurisdiction, stimulate local economic development which would subsequently alleviate poverty, and being change agents for effective Municipal Institutional Development and Design.





In 2017/18 financial year, Ngqushwa Local Municipality undertook training for the Councillors and officials. The training programmes are aligned to applicable Legislation, Policies, Political pronouncements and IDP linkage is as follows:

- **Councillors**

- Diploma in Local Government Law & Administration 2<sup>nd</sup> year
- Advanced Certificate in Public Administration
- Municipal Public Accounts Training

- **Ward committees**

- Training on Ward based plans

- **Officials**

- Policy standardization
- Project Impact Assessment Toolkit
- Knowledge Management
- Municipal Finance Management Programme
- Bachelor of Commerce
- Basic Traffic Course
- Municipal Finance Management Programme Additional Modules
- BTECH: Cost and Management Accounting
- Post Grad Diploma in Archives and Records Management
- Post Grad Diploma in Monitoring & Evaluation
- Advanced Certificate in Public Administration
- Honours in Industrial Psychology
- VIP Training Training
- Report Writing
- Integrated Project Management Programme
- Electrical Trade Test
- Environment Practise
- Customer Care
- Traffic Warden



- National Certificate in Construction Roadworks
- National Certificate in Construction Operations

### 3.8.1 SETA Learnerships

These projects are aimed at empowering youth of Ngqushwa with skills in order to find employment. These projects are sponsored by LGSETA and Services SETA involving 308 learners and to develop their skills. There are 158 learners that are enrolled with in the following learnerships:

- 200 -National Certificate in Road Construction
- 100 - National Certificate in New Venture Creation
- 8 -End user computing, Wholesale and Retail Operations

These programme in May and August 2017 and are taking place at Knight Marambana High School. The municipality provided support in the form of appointing and paying of an Administrator and security officers on a fixed term contract appointment.

### 3.8.2 Community Bursary

- **Bachelor of Science in Agricultural Economics**

#### Scarce Skills:

No	Field	Occupation	Department
1	Finance	All Management posts including Accounting and SCM posts	Budget and Treasury Office
2	ICT	System Administrator	Corporate Services
3	Auditing	Internal Auditor	Office of the Municipal Manager
		Officer: Internal Auditor	Office of the Municipal Manager
4	IDP/PMS	Manager: IDP/PMS	Office of the Municipal Manager
5	Waste and Environment	Manager: Waste and Environment	Community Services
		Officer: Coastal Management	Community Services
6	HR	Officer: Industrial Relations	Corporate Services
7	Records Management	Officer : Document Management	Corporate Services

8	Project Management	Manager: Project Management Unit	Infrastructure Development
		Technician: Project Management	Infrastructure Development
9	Civil Engineering	Civil Technician	Infrastructure Development
		Grader Operator	Infrastructure Development
10	Town Planning	Manager: Spatial Development	Development and Planning

Table 4.4: Scarce Skills within the Municipality.

### 3.9 HUMAN CAPITAL DEVELOPMENT

**Strategic Objective:** To ensure that there is available skilled individual that can contribute positively to the municipality and to the nation as a whole.

The goal is to have a capacitated communities in order to achieve an objective of ensuring that there are available skilled individuals that can contribute positively to the municipality and to the nation as a whole:

- Development of Ngqushwa Local Municipality R120 million Training academy
- Develop an Institutional Development Plan
- Development of R280m high-performance sports centre (swimming, rugby, cricket, soccer, gymnastics, boxing, athletics and netball)
- Development of 12 Early Childhood Centres
- Development of 12 Advisory Centres for School Leavers
- Development of Multipurpose/Thusong centre
- Establishment of e-Learning for Ngqushwa.

### 3.10 EMPLOYEE ASSISTANCE & OCCUPATIONAL HEALTH & SAFETY.

**Strategic Objective:** To create a safe working environment for all employees.

The objectives of the Employee Assistance and Occupational Health & Safety Office is to promote health by providing the employees with ongoing education, information and communication in all health related aspects. They are also encouraged to be proactive about their health and modify their lifestyle for their own health benefits. The office has a



responsibility of ensuring a safe work environment of all the employees at work and safety during operations.

This is to comply with the Occupational Health and Safety Act 85 of 1993, Medicine and Related Substances Control Act 101 of 1965, Employment Equity Act 55 of 1998 and the Compensation of Occupational Injuries and Diseases Act 130 of 1993. During 2016/17 financial year, the Division engaged in different programmes for Ngqushwa Municipal Councillors, Management and employees including those based in our Hamburg satellite office, to meet its objectives.

### **3.10 1 Employee Assistance Programme**

As part of Employee Assistance Programme, Ngqushwa Local Municipality is committed to the health and wellbeing of its employees and recognises that a variety of personal problems can disrupt their personal and work lives. Bereavement Policy has been reviewed and adopted on 07 March 2017.

### **3.10 2 Occupational Health & Safety**

According to Health and Safety Act 85 of 1993 the municipality must ensure a safe working environment at all times.

- All work areas have safety representatives who are responsible for identifying hazards from the work environment or emanating during the work processes which may have a negative effect on the health and safety of the employees. These Representatives should make the employees and their supervisor aware of these hazards and also report them to the Health & Safety Committee which is chaired by the Director: Corporate Services.
- The committee meet on a quarterly basis to discuss the matters related to OHS of the Municipality.
- All the representative as well as first aiders have been trained and have the appointed letters. Municipal employees have been trained on how to operate fire extinguishers.
- Emergency/Evacuation plan is available in all the municipal departments and the fire extinguishers are up to date.

### 3.11 ORGANISATIONAL DEVELOPMENT AND DESIGN

**Strategic Objective:** Striving towards the creation of a stable and capacitated leadership to improve service delivery and good performance in service delivery/oversight

Ngqushwa Local Municipality had undertaken an organisational development and design process in 2016/17 financial year that had culminate in re-alignment of organisational structure and re-alignment of functions. The project prelude to the development of a performance management system. All the employees have job descriptions that will guide how to execute their tasks.

**The project had to deliver on the following:**

- A comprehensive situational analysis report with a defined roadmap;
- A comprehensive organisational development and design report;
- A comprehensive Municipal turnaround strategy (MTAS) 2017 to 2022;
- A comprehensive and high level of ODS implementation plan for 2017 to 2022;
- A detailed project management plan for 2016 to 2019;
- Detailed skills transfer for 2-year programme.

#### 3.11.1 Individual Performance Management System

**Strategic Objective:** To continuously improve performance at all levels of the municipality by 2018 and beyond.

Performance Management is a systematic process by which a municipality involves elected representation, residents and communities and its employees in improving organisational effectiveness in the accomplishment of legislative mandates and strategic imperatives. In giving effect to this definition, Ngqushwa Local Municipality has adopted a comprehensive framework that translates the municipal strategy into a coherent set of performance measures and strategic initiatives. Ngqushwa Local Municipality believes that its Performance Management System is a vehicle to promote mutually re-enforcing activities which:

- Promotes accountability;
- Ensures certainty and predictability;
- Corrects lack of performance; and
- Rewards excellent performance.

Currently, performance assessment is conducted at top management level. Performance Reviews for the Directors and Municipal Manager are conducted on quarterly basis. The municipality is in a process of cascading the performance management system to middle management as from 2017 /18 financial year. An electronic performance management system will in future be introduced to increase efficiency and improve productivity. In future the municipality will further cascade the performance management system up to lower level. A detailed concept and process plan was developed 2016/17 financial year. An Individual performance management policy will be adopted in 30<sup>th</sup> June 2017. The Individual performance management policy will be reviewed on annual basis.

### **3.11.2 Local Labour Forum**

**Strategic objective:** To ensure good, sound industrial relations between the employer and the employee.

Ngqushwa Local Municipality strives to ensure a healthy employment relationship between the employer and employees by creating an enabling environment to engage all employee related issues in the Local Labour Forum platform. Convene quarterly (SAMWU, IMATU and Management) discussing issues pertaining to employees in order to maintain the sound labour relations.

### **3.12 RECORDS MANAGEMENT**

**Strategic Objective:** To ensure effective and efficient management of records.

Records manual procedure was approved and the policy will be reviewed in June 2017. Disposal of old documents was approved by Provincial Archive, Municipal Manager and the Council. In a process of appointing a service provider for electronic records





management system, safekeeping of municipal information becomes priority. Ngqushwa Local Municipality in future looks forward to implement an electronic system that will safeguard municipal information and to assist to manage the information efficiently and effectively.

### **13. INFORMATION AND COMMUNICATION TECHNOLOGY**

#### **Strategic Objectives:**

- To provide a secure ICT infrastructure which delivers appropriate level of data integrity and availability.
- To align technology with municipal goals in order to contribute towards achieving the municipality's strategic objectives

#### **13.2 Governance Framework**

The municipality has an ICT Governance Framework. According to the framework, Senior Management and Audit Committees are the driver of the process. The ICT Governance Framework provides guidelines for both the political and administrative leadership on how the municipality should plan and operate its ICT in a stable and controlled environment. The framework also provides managing of a comprehensive ICT governance to meet the unique needs of the municipality and its recently consolidated technology.

Phase 1 of the ICT governance framework was completed during 2016/2017 financial year. The deliverables of phase 1 include the following:

- ICT Governance policy approved and implemented.
- ICT Corporate Governance framework approved and phase 1 implemented.

The following capabilities created in the municipality:

- Governance Champion designated and responsibilities allocated;
- Approved and implemented Risk Management Policy that includes the management of Municipal-related ICT risks;
- Approved and implemented Internal Audit Plan that includes ICT audits;

- Approved ICT Disaster Recovery Plan informed by Municipal Continuity Plan and Strategy.
- Approved Data Backup and Recovery policy.
- Approved ICT Service Level Agreement Management policy.
- Approved ICT User Access Management policy.
- Approved ICT Security Controls policy.
- Approved ICT Operating System Security Controls policy.

### **13.2.1 ICT Governance**

- Provides the structure that links ICT processes, ICT resources and information to enterprise strategies and objectives;
- Enables the integration and institutionalisation of best practices of planning and organising, acquiring and implementing, delivering and supporting, and monitoring and evaluating ICT performance to ensure that the enterprise's information and related technology support its business objectives;
- Allows the municipality to take full advantage of its information; and
- Identifies control weaknesses and assures the efficient and effective implementation of measurable improvements.

### **13.3 ICT Strategy**

Having realised that ICT has become an integral part of the day-to-day operations, the municipality has realised the need to develop its ICT strategy/ ICT master plan, which is aimed at aligning ICT to the business and ensuring that the municipality gets best value for money out of its ICT investment. The strategy is a 5-year plan. The strategy is also developed as part of the Auditor General's requirements as well as the international best practices for ICT to have a strategy. It outlines the ICT vision, mission and objectives and informs of strategic actions that are required to be undertaken in order to achieve the objectives of the municipal ICT Governance framework.



### **13.4 Fleet Management**

#### **Strategic Objective:**

- To render a corporate fleet administration service to the Municipality

Ngqushwa Municipality Fleet Management Services is responsible for the management and the efficient and effective operations of the entire fleet to ensure proper implementation of service delivery requirements and demands. With the implementation and execution of vehicle monitoring and the introduction of fuel card based management system the Fleet department will add value in the contribution and the reduction of all operational expenses related to Ngqushwa Local Municipality Fleet.

### **14. CORPORATE SERVICE DEPARTMENT INTEND TO DO THE FOLLOWING PROJECTS IN THE NEXT 4 YEARS**

- Cascading of Performance Management System to Middle Managers and Practitioners including procurement of an electronic Performance Management System
- Job descriptions, job grading and job evaluation
- To develop an Employment Equity Plan
- To develop a Human Capital Development Plan and Workplace Skills Plan
- To introduce an Electronic Records Management System
- Server consolidation and virtualization Phase1
- Telephone management system upgrade
- Upgrade LAN connectivity to GIGABIT Ethernet
- Procurement of AD audit software
- Server consolidation and virtualization Phase2
- Deploy disaster recovery plan for transactional systems
- Upgrade network cabling to the latest category
- Implementation of ICT governance framework- phase 2

## **15. CHALLENGES FACED BY THE CORPORATE SERVICES DEPARTMENT**

- In adequate budget for training interventions
- In ability to attract employees in designated group
- Qualified people who are unwilling to relocate
- Slow networks and internet
- Poor environmental controls
- Poor network management
- Insufficient ICT budget to meet ICT requirements

## **16. RESPONSE TO THE CHALLENGES**

- Plan and budget adequately for training interventions
- To create incentives for qualified people/Scarce skills
- Introducing new technology can enhance municipality operations
- Enhance revenue base through ICT interventions

## **17. CORPORATE SERVICES HAS THE FOLLOWING HR COMMITTEES IN PLACE**

- Local Labour Forum
- Training Committee
- Health and Safety
- Employment Equity
- ICT Steering Committee

## **13.8 MUNICIPAL POLICIES**

On annual basis the council has a responsibility to develop, review and adopt policies as per Municipal Systems Act. In a special council meeting held on 25 April 2018 the municipality has adopted the following policies:-



1. Acting and acting allowance policy
2. Attraction and retention plan & policy
3. Cellphone allowance policy
4. Communication Policy
5. Municipal spatial planning
6. Credit control and debt management policy
7. Disciplinary policy and procedure
8. Burial of pauper and exceptional cases relating to the dead
9. Personal protective clothing policy
10. Dress code policy
11. Induction policy
12. Liquor trading by-law
13. Performance Management System policy
14. HIV/AIDS policy
15. Leave policy
16. Bereavement policy
17. Code of conduct for employees & Councilors
18. Occupational health and safety policy
19. Overtime policy
20. Policy on records management
21. Recruitment, selection and appointment policy
22. Sexual harassment policy
23. Secondment Policy
24. Social Media Policy
25. Policy on prevention of land invasion
26. Training policy
27. Relocation policy
28. Career & Succession plan & policy
29. Time and attendance policy
30. Asset management policy
31. SCM Policy Insurance policy
32. Travelling Allowance policy
33. EPWP policy



34. Mayor and Speaker's vehicle policy
35. Rural Community halls policy
36. ICT policy
37. Policy on exceptional cases relating to the deceased

### **13.9 MUNICIPAL BYLAWS**

1. By-law relating to Community Services
2. By-law relating to Standing Orders for Council
3. By-law relating to Solid Waste Disposal
4. By-law relating to Credit Control
5. By-law relating to Street Trading
6. By-law relating to Advertising Signs
7. By-law relating to the Prevention of Nuisance
8. By-law relating to Public Open Spaces
9. By-law relating to Keeping of Dogs and other animals
10. By-law relating to Ward Committees
11. By-law relating to Cemeteries and Crematoria
12. By-law relating to Delegation of Powers
13. By-law relating to Unsightly and Neglected Buildings
14. By-law relating to Liquor Trading
15. By-law relating to Buildings
16. By-law relating to Advertising Sign



KPA1 : INSTITUTIONAL DEVELOPMENT AND DESIGN WEIGHT : 20						
Strategy	Objective	Key Performance Indicator	Annual Target	Baseline	Custodian	KPI NO
Improve Organisational Cohesion and Effectiveness	To continuously improve performance at all levels of the municipality by 2018 and beyond	Number of individual performance reviews conducted	Two(2) individual performance reviews to be conducted by the relevant Heads of Departments for each middle manager per department within the Municipality by 30 June 2019	Performance Review were only conducted for Directors and Municipal Manager	Director : Corporate Services	IDD 1
	To ensure continuous implementation of Municipal vision and mission through Human Resources Management plan	Periodic reports on the implementation of Human Resources Plan	Implementation of Human Resources Plan by 30 June 2019	HR Strategy in place	Director : Corporate Services	IDD 2
	To ensure effective and efficient records management	Number of activities implemented in the Records Management System	Implementation of Records Management system (Records Management Policy, File Plan & Procedure Manual) by 30 June 2019	Records Management System in place	Director : Corporate Services	IDD 3



# CHAPTER 4



## CHAPTER 4

### KPA2: QUALITY BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

#### 4.1 INTRODUCTION

The South African Constitution states that municipalities have the responsibility to make sure that all citizens are provided with services to satisfy their basic needs; promoting social and economic development and a safe and healthy environment in which to live and work. This chapter outlines Ngqushwa municipal Infrastructure Services.

##### 4.1.1 Institutional Arrangement

**Quality Basic Services and Infrastructure Development KPA consist of the following departments:**

1. Infrastructure and Technical Services
2. Community Services

#	Approved and funded posts	Incumbent
1.	Director : Infrastructure and Technical Services	Mr .Z.I Msipha
2.	Manager :Project Management Unit	Vacant
3.	Manager : Electricity	Mr. B Mangesi
4.	Manager : Roads and Storm water	Ms .N Mbekela

Table: Infrastructure and Technical Services Department



#	Approved and funded posts	Incumbent
1.	Director :Community Services	Ms. N. M. Makwabe
2.	Manager : Environmental Management	Mr .R Mkontwana
3.	Manager : Spatial Planning and Land Use Management	Mr .O Mazele
4.	Manager : Protection Services and Public Safety	Mr.J Jooste
5.	Area Manager :Hamburg	Mr .V Mbangi

Table: Community Services Department

#### 4.1.2 Legislative framework applicable:

- National Land Transport Act no 5 of 2009
- National Road Traffic Act 1996
- National Environmental Management Act no 107 of 1998
- Electricity Act 41 of 1987
- NERSA regulations
- Occupational Health and Safety Act 85 of 1993
- National Land Transport Act (Act 05 of 2009 - NLTA)
- National Environmental Management Act:-107 of 1998 and amendments
- National Integrated coastal management Act no 24 of 2008
- Biodiversity Act 10 of 2004
- National Heritage Recourses Act 25 of 1999
- National Water Act 36 of 1998
- Environmental Conservation Act 73 of 1989
- Conservation of Agricultural Resources Act 43 of 1983
- National Forestry Act 84 of 1998
- National Building Regulations and Standards Act No. 103 of 1977
- Construction Industry Development Board Act 38 of 2000
- Architectural Professions Act 44 of 2000
- Green Buildings Policy ,January 2011 Draft V3
- National Water Services Act 108 of 1997
- National Waste Act no 59 of 2009
- National Environmental Management: Air Quality Act 39 of 2004



- Protected Areas Act no 57 of 2003

**Strategic goal:** To manage quality basics services provisioning in order to ensure rendering of sustainable and affordable services to the communities of Ngqushwa by 2022 and beyond.

Service Delivery Standards	
Service	Percentage
Access to Water	93%
Access to Sanitation	64.30%
Access to Electricity	90%
Access to Roads	12kms surface roads in very bad condition; 145kms gravel roads in very good condition; 548km earth roads in very bad condition Total roads network = 705kms

Table: Current Status Quo on Service Delivery Standards

## 4.2 MUNICIPAL INFRASTRUCTURE AND SERVICES

### 4.2.1 Roads and Storm Water

The roads infrastructure of the municipality comprises of 715kms Municipal roads, 1149.90kms of Provincial roads and 85kms of National Roads. The majority of municipal roads are gravel and earth roads which are in a very poor condition, with tar roads comprising of 2% also in a bad condition. Roads and storm water division is responsible for maintenance of municipal roads and storm water. A process of rehabilitating existing tarred roads and storm water in Peddie town has started in 2016/17 and it will take a period of three years to be completed. Provision is made in each financial year for the surfacing of a certain number of kilometers of roads.



The existing Road network and Bridges in the Municipal area is assessed every five years to properly plan and implement preventative maintenance, safer roads and bridge structures. Roads in the rural areas are graded and maintained on a regular basis. Regular planned maintenance is crucial to ensure that roads are serviceable and can address rising demand, which in turn makes the cost of maintenance to escalate.

Increasing heavy traffic volumes using municipal roads, high cost of bitumen are a real threat to the sustainability of the road network. The municipality is in a planning to develop a Roads Master Plan so that we can be able to address some of the identified future needs and challenges. Municipality plans to develop a storm water master plan in order to assist with addressing issues pertaining to the storm water drainage within the municipality. The stormwater master plan will be used to prioritise project proposals for solving the storm water problems in each area. Backlog on developed areas with tarred road and no storm water drainage system is still a big challenge.

The Municipality plans to pave each year as many sidewalks as the budget allows where there is high number of pedestrians.

The average condition of the network can be rated as poor, with estimated 2% of the surfacing and 80% of the gravel roads in the poor to very poor category. The estimated Funding Backlog on the upgrading of the network at this stage is **R 950 million**.

Ngqushwa Local Municipality did not sign any contract with the Department of Transport for the Rural Roads Assessment Management project. Currently the project is managed by the District Municipality.

#### **4.3 INTEGRATED INFRASTRUCTURE INVESTMENT PLAN**

The local municipality has a Comprehensive Infrastructure Plan (CIP) 2014 that was adopted by the Council. The district municipality, local municipality and government departments fully participated in the development of the comprehensive infrastructure plan for the local municipality. For the investment plan, Ngqushwa utilises MIG grant over the MTEF period. Currently, the local municipality is dependent on grants as source of income for infrastructural programmes. The CIP currently covers the capital budget only.



#### **4.4 PROVINCIAL ROADS WITHIN NGQUSHWA LOCAL MUNICIPALITY AREA**

Majority of Provincial roads within Ngqushwa Local Municipality are gravel roads which are in poor condition. Roads Forums structures are convened within Ngqushwa Local Municipality and emphasize the importance of teamwork between the different spheres of government, goodwill and co-operation amongst stakeholders to the roads infrastructure development process, to protect and respect each other's infrastructure and broader socio-economic development agenda in the best interests of serving the public.

#### **4.5 PROJECT MANAGEMENT UNIT**

##### **Strategic Objective:**

- To manage administration and implementation of capital projects for internal roads and community halls.

The Project Management Unit (PMU) is a unit within the municipality that is dedicated to manage infrastructure (capital) projects. The broad scope of the unit at Ngqushwa Local Municipality includes construction of roads; High mast lights; Community halls and Sports facilities.

In order to provide basic services, Council needs to provide for the repairs maintenance of its infrastructure assets. Such expenses are needed to maintain the current service standards and will also extend the assets' useful lives. Budget Circular 66 cautions municipalities not to affect savings in repairs and maintenance to balance the budget but to ensure that sufficient budgetary allocation is made for this expenditure item.



#### 4.6. ELECTRICAL ENGINEERING SERVICES

**Strategic Objective:** To manage the provisioning and maintenance of electrical services to ensure the rendering of effective, efficient, economical and electrical maintenance services.

The Millennium Development Goal states that 97% of households must have universal access to electricity by 2025. Access to electricity will alleviate poverty as the use of electricity supports lighting and cooking facilities. The 2016 Stats SA Community survey figures depicted that there were 18 492 households in the municipal area of which 93% households had access to electricity.

The backlog is made up of Infills and new extensions especially in the rural areas. Eskom supplies electricity to the rural and farm dweller homes. Ngqushwa Local Municipality Electrical section is responsible for the operations and maintenance of the street lights, municipal building and the community halls. Eskom supplies and maintains electricity to Ngqushwa Local Municipal area according to the Rural Electrification Program. The municipality also runs the Integrated National Electrification Programme (INEP) by the Department of Energy to assist community eradicate backlog of Electrification. Indigents receive 50 kWh free basic electricity at 20 Amp on a monthly basis. Free basic electricity can only be given to customers who are declared as Indigent in terms of the Indigent Register. The municipality will continue to provide free basic electricity to indigent customers on a monthly bases whereby the indigent applies to be on a 20 Amp circuit breaker and 50 kWh free basic electricity per month.

In future the Municipality will make use of alternative renewable energy sources, such as wind turbines, solar heating and electricity generated from solid waste should industrial and commercial expansion requires such.



## **4.7 WATER AND SANITATION**

### **4.7.1 Water Services**

UWP Consulting (UWP) were appointed by the Amathole District Municipality (ADM) on 22 December 2011 to prepare a water services master plan for Ngqushwa Local Municipality to guide water services infrastructure investment within the Ngqushwa Local Municipality area over the next 20 years, and in particular to identify the requirements needed to meet the National 2014 Water Services backlog targets. The study area for this Water Services Master Plan is for the entire Ngqushwa Local Municipality area.

The plan provides strategic direction to the municipality in this sector and identifies the most crucial projects. It should be noted that Ngqushwa Local municipality is not a water service authority nor a water service provider, therefore the function of water and sanitation is solely function of the Amathole District municipality .

The rural areas of Ngqushwa Local Municipality are serviced by a number of regional, local, stand alone and rudimentary schemes providing 93% of the population.

The towns are serviced by regional water supply schemes providing high levels of service to the older formally zoned even, RDP or sub-RDP levels of services to the formally zoned low-income housing areas and sub-RDP or informal levels of services to the informal settlement areas.

### **4.7.2 Bulk water**

Bulk water infrastructure is provided by a number of dams and water purification works within the municipal area which is operated by the Amatola Water Board.

### **4.7.3 Sanitation Services**

UWP Consulting (UWP) were appointed by the Amathole District Municipality (ADM) on 22 December 2011 to also prepare a Sanitation Master Plan for Ngqushwa Local Municipality. The future sewerage infrastructure requirements for Peddie have been



determined on the assertion that waterborne sanitation will be provided throughout the town, and that the future land use will be as per the LSDF.

The provision of sanitation services to the 18 492 Household as per census 2016 Stats SA Community Survey is a high priority in the Municipality . Access to sanitation is one of the most important basic services as it concerns the health and dignity of human beings. The older formally planned areas of the towns are serviced by means of waterborne sanitation, either with off-site or on-site treatment (i.e. sewage networks draining to waste water treatment works or conservancy/septic tanks). The new formally planned low-income areas are generally serviced by means of VIP, whilst the informal areas are generally un-serviced or have no formal services.

The rural areas, were formally serviced by means of VIP toilets. According to the 2011 statistics, only 5.8% of the population has access to flush toilets which are either connected to a sewerage system or a septic tank. This results in a backlog of 96%. Almost 84.6% of the population makes use of pit latrines. The majority of these pit latrines have no ventilation. 2.5% of the population makes use of chemical toilets.

#### 4.8 TRANSPORT

The Amathole District Municipality (hereafter referred to as ADM) undertaken a major review of its Integrated Transport Plan (ITP) in the 2012/13 financial year. Since this major review, there have been physical land developments, transport systems planning and legislative changes within the transportation environment which substantiate the requirement of another review of the existing ITP. As a Type 2 Planning Authority, it is required according to the National Department of Transport (DoT) Minimum Guidelines of the National Land Transport Act No 5 of 2009 (NLTA) to prepare a DITP. The ADM utilised internal resources for the review of the 2015 ADM ITP.

***“Transport is the heartbeat of the economy”. Furthermore, a quality transport system is a prerequisite for a better life for all.***

ITP document represents the 2015/16 annual review of the District Integrated Transport Plan (DITP). The document intends to align the existing 2011/12 Amathole DITP with the National Land



Transport Act (Act 05 of 2009 - NLTA), and in accordance with the latest minimum requirements for the preparation of a DITP (Government Gazette Notice No. 30506, 30 November 2007).

The key underpinnings of prevailing transport policy and legislation today are the provision of sustainable transport, especially the need to drive public transport over private transport. The provisions of prevailing legislation encourage public transport to be seen as one of the principal drivers of the economy.

The update of the DITP for the Amathole District Municipality (ADM) will, therefore, serve as a platform to enhance the transport system within ADM, conformity to prevailing legislation, and guide to vital inputs required for the development of a new ADM DITP that must meet new developmental challenges and other imperatives in the future.

The review and update of the DITP for the ADM has been prepared to ensure that the updated document keeps within the legislation, specifically the National Land Transport Act, 2009 (Act No. 05 of 2009). The Department of Transport has taken note of the disjuncture between the National Land Transport Act and the Municipal Structures Act and was already in the process of addressing it.

The public transport system in Ngqushwa Local Municipality area is limited and primarily constituted by private minibus taxis that service the area on a regular basis. There are inadequate facilities to accommodate this form of public transport and organised taxi ranks and commuter shelters are needed at all settlements. The municipality does not have an integrated transport plan to mitigate the above.

There are privately owned cars and bicycles and the majority of the population is pedestrians who have to rely on foot as a mode of travel. Pedestrians are not adequately catered for especially in terms of safety. There are no formal crossing arrangements to cater for pedestrians and animals between settlements and to compound this problem many of these informal crossings traverse national and trunk roads which have adverse effects on safety within the area.

Coastal Zone Management



## 4.9 SOLID WASTE MANAGEMENT

**Strategic Objective:** To manage the rendering of waste management services in accordance with applicable legislation, by-laws and standards.

The municipality provides waste management services that include waste collection, street cleaning, clearing of illegal dumping, health care risk waste management and waste disposal. Regular solid waste collection service is provided to business, institutions and households within the jurisdiction of the municipality .

Waste collection from residential premises is carried out on a weekly or bi- weekly basis. The total percentage of households with access to waste removal services is 20.7%. Waste disposal is centralized, and all waste collected in the various centres (including garden waste) is transported to the permitted Peddie landfill site for disposal. The haulage of waste from Hamburg, Bhira, Mphekweni and Fish River and surrounding areas creates a huge financial burden on the operating budget due to fuel and maintenance costs, and the landfill is reaching its lifespan earlier than it was expected. A project for the construction of new landfill site is underway at an estimated cost of R30m based on the new regulations. In the near future municipality is planning to upgrade Hamburg transfer station for the coastal area.

In order to meet demand for waste removal, vehicles should be purchased in accordance with Council and policy. Budget is required to purchase a compactor truck. The municipality has one landfill site and one transfer station which are permitted.

In order to protect the environment and health of the community, the municipality will continue to render waste collection services as scheduled. Plans to extend the waste collection services to rural communities through the acquisition of additional resources, providing waste collection infrastructure to new developments and procuring of adequate equipment will continuously and consistently be implemented from year to year. Currently the municipality is conducting awareness programmes to the communities on waste management.

Ngqushwa Local Municipality is in a process of reviewing the Integrated Waste Management Plan and Solid Waste bylaw .The expired Integrated Waste Management





Plan was adopted by Council in 2012 .The IWMP is envisaged in section 11 of the NEMA: Waste Act 59 of 2008.

#### 4.10 CEMETERIES

**Strategic Objective:** To provide new cemeteries while maintaining existing cemeteries according to the legislation.

Currently there are two cemeteries one is in Peddie Town (full) and Peddie extension. A feasibility needs to be conducted to ensure that the cemetery is developed in a proper space .There are no municipal developed cemeteries in the rural areas. To address the increasing demand on cemeteries, the municipality is in a process of establishing a new cemetery. Maintenance of the graveyards is done on an ongoing basis. All new township developments should make provision for cemeteries and be in line with EIA processes and regulations.

The municipality intends to meet the ever increasing demand for cemetery space by expanding and providing new burial facilities. Furthermore, burial sites will be maintained well after the cemetery has reached its maximum capacity, out of respect for the people buried and for the convenience of loved ones visiting the sites years' after. The municipality undertook an initiative of paving, fencing and grass cutting burial sites in Peddie Town cemeteries.

#### 4.11 ENVIRONMENTAL MANAGEMENT

**Strategic Objective:** To ensure effective, efficient and economic coastal management of the environment by 2022 and beyond.

The current environmental footprint on natural resources consumption and demand pattern clearly predicts future deficiency in the available resources to meet the population demand. The situation is further exacerbated by human activities which results in climate change, a phenomenon which its effects can be witnessed globally. The need to provide services in a sustainable manner and to preserve our natural resources has been a global challenge. The municipality is intending to develop an Environment Management Plan



with assistance from Department of Environmental Affairs and the Department of Economic Development, Environmental Affairs and Tourism.

The promulgation of the National Environmental Management Act, Act 107 of 1998 (NEMA) and the subsequent pieces of legislation legitimised environmental sustainability in development planning, service delivery and infrastructure development. This means that our attempts and efforts to meet the needs of the current generation should not impact negatively on the ability of future generations to meet their own. Environmental sustainability should therefore be considered and incorporated in development planning in national, provincial and local spheres of government.

The Municipal Systems Act, Act 32 of 2000, (MSA) is framework legislation for local government and it introduces the developmental local government. The Act further stipulates that basic services should be delivered in a sustainable manner while promoting socially equitable development. Through the MSA municipalities are required to adopt a more sustainable approach to planning and development as embraced in the South African Constitution as well as in other policies and legislative enactments relevant to Local Government.

The growing municipal population, economy and industrialization will have adverse impacts on the availability of natural resources and environmental quality if measures are not put in place to ensure sustainable development.

The municipality made strides in environmental issues by developing the environmental management plan and is planning establishing an environmental management forum. The municipality must ensure that environmentally sensitive areas are identified, rehabilitated and continue to be monitored in order to conserve biodiversity and prevent environmental degradation. The municipality is in a process of reviewing its Spatial Development Framework therefore the land degradation and revatization, State of Environmental Report, Environmental Management Framework, Coastal Management Plans, Aquatic ecosystem, Ecological Infrastructure, Wetlands bioregional plans will be incorporated in the municipality's Spatial Development Framework (SDF).



The municipality must ensure that all proposed developments within Ngqushwa Local Municipality are environmentally, socially and economically sustainable by adhering to EIA processes and regulations that will guide future development, for example, Strategic Environmental Assessment (SEA), life cycle assessment.

The National Environmental Management principles requires that 'Community wellbeing and empowerment must be promoted through environmental education, the raising of environmental awareness, the sharing of knowledge and experience and other appropriate means'.

The municipality should therefore ensure that equitable and effective participation is achieved through the participation of vulnerable and disadvantaged persons. Capacity building focusing both on political and administrative management. Integration of sustainability principles in planning and subsequent activities within the coastal zone. Encourage interdepartmental cooperation in planning decision-making processes with regards to coastal management. Coastal biodiversity conservation. Establish parks and nature reserves within the coastal zone as tourism destinations.

Coastal management in South Africa is regulated by the Integrated Coastal Management Act, Act 24 of 2008, which aims to ensure that the coast of South Africa is managed in a manner which promotes risk aversion and the application of the precautionary principle. Ngqushwa Municipality adopted its Coastal Management plan in November 2016 to give effect to the above-mentioned legislation. Through partnerships between the municipality, ADM and DEDEAT, the municipality managed to achieve Blue Flag status (Hamburg Beach) and Blue Flag pilot status (Bira Beach).

The municipality is intending to develop its own Climate Change Strategy with assistance from the Department of Environmental Affairs and the Department of Economic Development, Environmental Affairs and Tourism. The Amathole District Municipality is currently overseeing the Air Quality Management activities, however Ngqushwa Local Municipality is planning to adopt the existing Amathole District Municipality Air Quality Management Plan and enter into a Service Level Agreement.

#### 4.12 COMMUNITY FACILITIES (BUILDINGS)

**Strategic Objectives:** To provide easily accessible new facilities that accommodate persons with disabilities whilst adapting, upgrading and maintaining existing ones.

Municipal Buildings include amongst others, the provision of new municipal buildings and structures and their maintenance. The municipality's success is dependent on interaction with other internal and external departments to ensure accurate needs assessment and planning for new developments and the necessary maintenance of existing structures.

Most of the existing community buildings and facilities were designed and built without taking cognisance of the needs of persons with disabilities. To rectify this, the old buildings will be retro-fitted or upgraded and maintained with the inclusion of such additional disabled-friendly features. New buildings must include the features as part of deliberate design.

To maintain a healthy and safe environment for the local community visitors and employees. The Health and Safety Act requires that all buildings be annually audited for Health and Safety compliance in order to guarantee the safety of all users including visitors. The municipality shall strive to comply with all aspects of the said piece of legislation within all of its buildings and facilities for the benefit of the public and employees. Recommendations of the annual audits shall be included in the budget.

#### 4.13 SPORTS AND RECREATION FACILITIES, PARKS, PLAYING EQUIPMENT AND GREENING

**Strategic Objective:** To manage the provisioning and maintenance/ operation of parks, sport grounds, commonage and public amenities.

The provision of sports and recreation facilities, parks, playing equipment and green areas are currently managed and provided by the Department of Community Services. Provision for the commonly practiced sporting codes like rugby, soccer, tennis, netball etc. is at a reasonably acceptable level in the urban areas. Sports facilities are being



provided by the Municipality . There are five sports facilities provided in the following areas, Nobumba, Hamburg, Glenmore, Ntloko and Mpekweni villages. The Municipality is working towards improvement of sports facilities within Ngqushwa Municipal area.

In the rural areas only basic sport facilities like graded soccer fields and basic multipurpose facilities are provided. The need for the provision of all these community facilities in urban and rural areas is still great.

The municipality strives to ensure that all new township developments make provision for sport facilities and space for graded soccer fields at least a minimum size of 11 000m<sup>2</sup>. The municipality is no exception in experiencing environmental challenges especially with the rapid urban growth that poses a threat to the environment.

With the ever demanding lifestyles of modern times, it is necessary to ensure that people have access to facilities for relaxation of choice, whether for hard core sport or for recreation activities. Professional development for the young and amateurs requires facilities of acceptable minimum standards at the beginning of their careers.

Our fast developing towns and townships leaves a demand for well-developed open green areas to ensure healthy lifestyles are maintained. The municipality intends to contribute towards the community cohesion and social interaction by creating well developed open spaces within the residential areas, Children recreational play areas(play equipment, informal play) and passive recreational zones (benches, lawn areas). Well developed and maintained open spaces ensure that the value of open and green areas is recognized and preserved by the community. The earth needs to be looked after and saved for future generations. By planting trees planted developing and maintaining open areas, the municipality ensuring that environment is taken care of.

#### **4.14 TRAFFIC MANAGEMENT**

**Strategic objective:** To manage the rendering of efficient and sustainable traffic and law enforcement services to all road users and public.

**Core functions of the traffic section:**

- To contribute to the reduction of accidents in the boundaries of Ngqushwa municipality .
- To carry out traffic management effectively and efficiently.
- To improve the response times to incidents and complains
- Increased driver and pedestrian safety
- Improve traffic and licensing service delivery
- Improve visible traffic policing of public transport
- Revenue enhancement

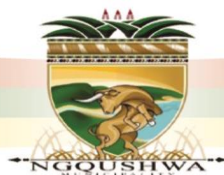
To provide safe roads to all road users in the boundaries of Ngqushwa municipality is priority. This will be achieved by means of strict law enforcement and implementation of specific operational activities throughout the year which focus on law enforcement and education. Specific locations will be identified based on high accident rates and traffic law enforcement plans will be implemented to decrease accidents. To provide sustainable visible traffic patrols in identified areas to reduce accidents. The law enforcement of road public transport violations, enforcement of speed violations and sustained education at all schools in the municipal area will be specific focus on.

National, provincial and local government strategies are taken into account in determining the function of the section:

- Ngqushwa municipality IDP
- Ngqushwa municipality road safety plan
- Road traffic management corporation (rtmc)
- The national strategic plan for road safety provides strategy for traffic enforcement in co-operation with the road traffic management corporation (rtmc) to ensure co-ordination of traffic enforcement between the three spheres of government.

Partners and stakeholders	Partners and stakeholders
Department of transport eastern cape	Amatole region traffic co-ordinating committee
Road traffic management corporation (rtmc)	Provincial traffic co-ordinating committee
SANRAL	National government
South African police services	Amatole disaster





Department of justice

Aarto

Table: Partners and stakeholders in the strategic plan

The traffic department offers the following services to the members of the public:

- Learners and drivers licence testing including pdp
- Motor vehicle registration
- Road markings
- Traffic fines

Ngqushwa municipality has developed a safety and security plan that create an environment of peace and safety for the people of Ngqushwa, obtain the support and cooperation of our fellow citizens in crime prevention and create an environment that is conducive to local economic development. The traffic department intends to establish a public safety forum where issues of crime will be dealt with and ensure that all the citizens are safe and secured.

#### **4.15 QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT INTEND TO DO THE FOLLOWING PROJECT FOR THE NEXT 4 YEARS**

- To build Community Halls in selected wards as per wards needs priority list
- To construct Internal Roads And Access Roads as per wards needs priority list
- Electrification of houses
- Upgrading of DR 345 between R72 and Hamburg (funded by Department of Roads and Public Works)
- Construction of MR00689 from Cross Roads to King Williams Town (funded by Department of Roads and Public Works)
- To construct Access Road to Baltein Citrus Pack shed ,Pineapple Projects and Irrigation Schemes
- Source funding for construction of landfill site
- Maintenance of open spaces ,municipal grounds, parks and public amenities
- Implementation of coastal management plan
- Conduct feasibility study for Establishment of a new cemetery site for Hamburg
- Source funding for construction of Hamburg cemetery
- Source funding for environmental related projects



- Source funding for construction recycling facility
- To conduct Road safety awareness campaign that will focus on local schools in the jurisdiction of Ngqushwa
- Borehole Programme
- To conduct Road traffic open days that will focus on the members of the community to empower them on all the function of the traffic department section
- To conduct Roadblocks on quarterly basis
- To conduct Joint road block including other emergency stakeholders
- Normal law enforcement campaign
- Speed camera law enforcement campaign

#### **4.16 CHALLENGES FACED BY QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT.**

- Inadequate CAPEX to address the existing backlog
- The Municipality is chasing a moving target in electricity, some areas within our jurisdiction are developing very fast.
- Land fill permit and management

#### **4.17 RESPONSE TO THE CHALLENGES**

- Business plans and funding applications must be submitted to department of energy in each financial year to assist Eskom in addressing the current backlog.
- Source funds for new landfill site from Department of Economic Development ,Environmental Affairs and Tourism , Amathole District Municipality , Municipal Infrastructure Grant (MIG)

**KPA 2 :QUALITY BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT WEIGHT : 20**

Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	KPI NO
To manage quality basics services provisioning in order to ensure rendering of sustainable and affordable services to the communities of Ngqushwa by 2022 and beyond	To manage administration and implementation of capital projects for Internal roads and community halls	Surfacing of 1.8 km of Peddie Town Streets phase 1	Completion of 1,8 km surfacing of Peddie Town Streets Phase 1	Phase 1 Surfacing of Peddie Town Streets	Director : Infrastructure & Technical Services	QBSD 1
		Surfacing of 1.5 km of Peddie Town Streets phase 2	Completion of 1,5 km surfacing of Peddie Town Streets Phase 2 (Power )	Phase 1 Surfacing of Peddie Town Streets	Director : Infrastructure & Technical Services	QBSD 2
	To manage administration and implementation of capital projects for Internal roads and community halls	Number of Community Halls constructed	Construction of one Community Hall in Bhele by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 3
		Number of Community Halls constructed	Construction of one Community Hall in Shushu by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 4
		Number of Community Halls constructed	Construction of one Community Hall in Ngquma by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 5
		Number of km constructed	Construction of Qhugqwala Internal Streets (5km) by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 6
		Number of km constructed	Construction of Mpekweni Internal Roads (5km) by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 7

		Number of km constructed	Construction of Runletss Internal Roads (5km) by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 8
		Number of km constructed	Construction of Wesley Internal Roads (5km) by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 9
		Number of km constructed	Construction of Hamburg Internal Roads (5km) by 30 June 2019	Not Applicable	Director :Infrastructure and Technical Services	QBSD 10
	To manage the provision of electrical services to ensure the rendering of effective,efficient,economical and electrical maintenance services	Number of households electrified.	Electrification of 320 households in the following villages by 30 June 2019: 1) Bhingqala (15) 2) Benton (25) 3) Sigingqini (20) 4) Ntloko (20) 5) Makhahlane (25) 6) Hlosini (25) 7) Mgababa (25) 8) Mpekweni (20) 9) Ndwayana(20) 10) Eluxolweni (25) 11) Pikoli(15) 12) Kalana (20) 13) Bodium (20) 14) Bell (15) 15) Newtondale (25) 16) Runlets (5)	211 households electrified	Director :Infrastructure and Technical Services	QBSD 11





# CHAPTER 5





## CHAPTER 5

### KPA3: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT

#### 5.1 INTRODUCTION

Ngqushwa Local Municipality is a rural and poverty stricken municipality. Local Economic Development (LED) is seen as the only hope of fighting poverty. Local Economic Development consists of three sections; Agriculture, SMEs and Cooperatives, and Tourism and Heritage. Ngqushwa Local Municipality successfully hosted Local Economic Development and Small, Medium Enterprises Summits from the 26-28 October 2016. The theme of the summit was to “Ensuring that knowledge and Space Economy Translate to Tangible Economic Opportunities”. On the 21-23 February 2017 the municipality hosted a Heritage and Tourism Indaba to unpack and package heritage and tourism related economic opportunities. Emanating from these events the Municipality developed a new Draft Local Economic Development Strategy for 2017/18-2021/2022 which consist of Agriculture Sector Plan, Tourism Sector Plan and Poverty Alleviation plan which was tabled to Council in June 2017 and will be finalized in the 2018/2019 Financial Year.

The Director Community Services position is also responsible for Local Economic Development and Spatial Planning & Land Use Management functions.

##### 5.1.1 Institutional Arrangement

#	Approved and funded posts	Incumbent
1.	Director : Community Services	Ms N.M Makwabe
2.	Manager : Strategic Planning and Development	Ms X .Maswana
3.	Manager : Spatial Planning and Land Usage Management	Mr O .Mazele

Table: Institutional Arrangement





### **Legislative framework applicable:**

- The Constitution of Republic of South Africa Act 103 of 1996;
- White Paper on Local Government of 1998;
- Local Government: Municipal Systems Act 32 of 2000;
- A policy paper on Integrated Development Planning (2000) and IDP Guide Pack;
- LED Strategies and Instruments;
- LED Guidelines to Institutional Arrangements of 2000;
- Discussion document on LED Policy of 2002;
- Policy Guidelines for implementing LED in South Africa of 2005;
- Spatial Planning and Land Use Management Act 16 of 2013;
- Ciskei Land Use Regulations Act 15 of 1987;
- Ngqushwa Municipal Spatial Planning and Land Use Management By-laws of 2016;
- Eastern Cape Spatial Development Plan 2011.

**Strategic goal:** Strives to ensure the creation of wealth using natural resources thereby promoting sustainable economic growth.

Ngqushwa Local Municipality has developed the following draft strategic document that will respond to the Local Economic Development needs.

**LED Strategy** –The LED strategy seeks to achieve the following objectives:

- create employment;
- co-ordinate and integrate national, provincial and local initiatives and programmes;
- stimulate local resource utilisation and linkages between the social, cultural, environmental and economic perspectives;
- establish partnerships;
- build capacity; and
- promote broad based black economic empowerment and poverty alleviation

The National Framework for LED proposed in South Africa aims to support the development of sustainable local economies through integrated government action.

Government action is to be developmental and should stimulate the heart of the economy which comprises those enterprises that operate in local municipal spaces. The framework is underpinned by an appreciation of the evolving practice of LED internationally and is based on the unique South African context and challenges. It contextualises the move towards “new institutionalism” that breaks down the distinction between economy and society, showing how economic decision-making and action is shaped by the shared values, norms, beliefs, meanings, and rules and procedures, of the formal and informal institutions of society. The normative agenda of the New Institutionalism is to develop shared meaning and values and to strengthen the networks of social interaction.

This has also been variously described as building social capital or developing social cohesion. The evolution of LED policy in post-1994 South Africa is closely associated with the transition to developmental local government. As early as 1995, Constitutional debates on the future form and shape of local government articulated a far more proactive role for municipalities. The declaration of local government as a sphere (rather than a tier) of government reflects the importance that was attached to local state actors during that early period. The final version of the Constitution itself declared that a fundamental objective of local government was to promote social and economic development in localities.

Smaller municipalities such as Ngqushwa Local Municipality and those with very limited economic potential have a bigger challenge in recognising the importance of good municipal governance and provision of municipal infrastructure and services. Investment and employment creation initiatives will have to be more strongly examined for viability and feasibility.

In addressing these challenges and ensuring a coordinated approach to optimising potential of all areas outside of the narrow local interests alone, the focus is upon:

- Improving the competitiveness of municipal regions in South Africa by providing an approach to developing local economies with the participation of all relevant stakeholders;



- Rendering economic growth compatible with social equity and safeguarding the environment since human and natural resources are the backbone of sustainable development;
- What the state, (with all its organs and agencies) can do to support and reward citizens who organise locally and operate in local level partnerships to engage in greater economic activity, spreading economic development in an even manner;
- How the state can be a platform to facilitate the inclusion of all to participate in the economy. This would include rewarding and enable citizens who form organised communities in response to social and economic rights' programming.

As a result the municipality will develop Informal Trading policy and Poverty Alleviation Strategy as means of including hawkers into the country's economy to promote economic development. The municipality has developed and adopted By-Laws that will control informal businesses and will be in process of developing zoning scheme regulations.

Although interest in the local approach to economic development is gaining ground in developing countries, a broad agreement of its definition has yet to be reached. But local economic development initiatives need not wait for such a definition since one may never be agreed on. More important is a working definition that can be used as a guideline and blueprint for programme scope. Local economic development should not be seen as exclusive, but as an integral part of regional development. Following is a description of the direction and scope of local economic development initiatives:

- Stimulate growth of local economies and create new job markets,
- Make the best use of available local resources,
- Create space and opportunities to balance supply and demand, and
- Develop new business opportunities.

It can be concluded that local economic development is a process that forms partnerships between economic stakeholders, between regional governments, community-based organisations and the private sector, in managing the resources available for creating job markets and stimulating the local economy. This approach emphasises local control and utilises human, physical and institutional potentials. Thus,



local economic development partnerships integrate efforts to mobilise actors, organisations and resources, while developing new institutions through dialogue and strategic activities.

#### **5.1.1. Pro-Poor**

The strategic framework and implementation of local economic development programmes should focus on participation of poor people in activities in the production and marketing cycle, not just on trickle down effects, to improve their welfare. So, the starting point of support for poor people is their opportunities, not their barriers. The dimension of this potential includes the accessible as well as the actual. The potentials of poor communities and their access to resources and services are important factors in achieving the goals of local economic development. The pro-poor concept emphasises several key principles: investment in improving the human and social capital of poor people; policies and services that result in the widespread and sustainable availability of people's basic needs (access to food, clean water, housing, health and education); policies and services that reduce transaction costs, so giving poor people more opportunities to obtain employment and/or greater value added from their own enterprises; increasing poor people's access to economic resources (capital, land/space, tools of production, market information, and so on); and environment-friendly development that conserves or improves ecological function and the capacity of natural resources to produce. The principle of gender equality has been integrated into the United Nations sustainable development framework because gender is a cross-sector issue. One focus of the gender issue is on equality of access and control for men and women to economic resources and the employment market. Any local economic development initiative should first analyse the costs and benefits for both men and women. The green revolution, while rendering a huge service in multiplying food production through a system of intensive agriculture and mechanisation, was detrimental to women because this mechanisation caused loss of employment for many women workers in rural areas. This kind of phenomenon can be avoided by designing "gender neutral" technology or creating new employment for those who are marginalised.



### 5.1.2. Major Components of Local Economic Development Strategy

**Building Attractiveness** - Besides fulfilling the basic principles of local economic development, there are at least three other strategic components to building investor interest in the region; improvement of investment climate and regional economic dynamism; commodity presence and image and availability of competitive human capital. The following sections will provide a brief description of each of these components.

Improving investment climate and regional economic dynamism Creating a healthy investment and business climate means creating conditions conducive to attracting domestic and foreign investment to generate economic growth and improve the welfare of the local inhabitants. So, in the context of local economic development, policymakers and Ngqushwa Local community must understand the key factors that determine whether or not the business climate is healthy from the point of view of investors or business people so that policies and services can be directed to create these conditions.

#### 5.1.3. Key factors to consider:

##### 5.1.3.1 Cost factor.

Policies and poor conditions that give rise to high economic cost will discourage investors from starting or expanding businesses, and also restrict the participation of poor people in the market. There are several conditions that may stimulate investor interest, and the more of these conditions that exist in a region, the greater the chance that investment will flow in. These conditions are transparent and efficient system of licensing and taxation; efficient and adequate infrastructure (transport, telecommunications, energy and water); competitive local labour; and image and perception of the culture of good governance.

##### 5.1.3.2. Economic dynamism factor.

The previous section explained that decentralisation policy and cohesive deregulation to support the market mechanism is a determining factor in the attractiveness, resilience and competitiveness of a region's economy. At the same time, investors will also look at the factor that will help their businesses prosper, and that is the dynamism of the local



economy. The dynamism of the local economy can be interpreted from two criteria: its economic potential, and the structure of its economy. For the former, per capita gross regional domestic product (GRDP) is generally used because this indicator reflect the capacity of the people to fulfil their life needs. The second criteria, economic structure, uses the indicator of aggregate gross value added for all economic sectors in the region. From this information, investors will be able to see the main potentials (economic base), and whether the region's experience is in the primary sector, secondary sector (industry) or services sector.

#### 5.1.3.3. Risk factors.

These factors include macroeconomic stability and conducive social-political dynamics; policy transparency, stability and predictability; and effective institutions providing guarantee of property rights and contracts. Improving the business or investment climate in the regions requires synchronisation of policy and strategy between central government and regional governments. Nonetheless, many of the factors described above can be implemented or facilitated by regional governments alone.

#### 5.1.3.4. Building Resilience.

The concept of resilience was adopted from a theory pioneered by ecologists that see the economy as an ecosystem (ecological nation) that is striving to maximise the long-term value of limited land resources by developing interdependent biological systems. In other words, diversity and interdependence of species and environments are a key factor in building the long-term productivity and resilience of a system. Resilience is a dynamic concept. Put simply, the resilience of an economy refers to the ability of the economic sector to adapt and recover from economic and noneconomic pressures. In an ever-changing environment, in which opportunities and risks may appear at any time, each economic unit, be it the household, company or region, needs to be prepared. Following is a description of the three-fold strategy to build resilience and the expected role of the public sector.



#### 5.1.3.5. Business Diversification and Product Transformation.

Diversification includes commodity diversification and enterprise diversification, while product transformation in the narrow sense is modification in the form or structure of a product (peeling cashew to make cashew nuts and processing cashew apple into syrup are transformation processes). The purpose of diversification and product transformation is: to enable actors in the micro and small & medium enterprise sector and the private sector in the regions to minimise the overall risk of failure; to protect themselves from the threat of external products or substitute products entering the market; and to create job markets and value added for local communities in particular and the region's economy in general.

The choice of diversification or product transformation, or indeed a combination of the two, should be based on technical and non-technical criteria, including: compatibility and natural risk factors that are difficult for farmers/entrepreneurs to control (climate, pests, diseases); balance between demand and supply, including the implications of economies of scale; the capacities and priorities of farming families (entrepreneurs); local culture (for example, food habits). The second criteria requires further explanation. Over-diversification, a situation where there is not even one leading commodity, generally causes marketing difficulties because there are no economies of scale. Thus, creating economies of scale at the production unit level (household or company), and at the local level, are key factors that need local and cross-sector planning and coordination.

Creating a conducive investment climate is an essential condition for the success of diversification/product transformation strategy, but it is not sufficient. As a support, Ngqushwa Local Municipality will need to facilitate:

- Revision of existing spatial plans, taking into account the condition and needs of poor people, and effective socialisation of these plans;
- Transformation of the marketing structure to eliminate price distortions resulting from a marketing chain that is too long and dominated by middlemen, through establishment and empowerment of producer's economic institutions (cooperatives, marketing associations, and so on);



- Improving public access to information and technology by revitalising information services and forming partnerships with business development service providers.
- Ngqushwa Local Municipality to provide financial incentives and capacity building incentives for poor families, such as:
  - Subsidies on tools of production (for example cashew seed peelers, concrete floors for drying seaweed and so on),
  - Giving aid to poor families, job seekers and actors in the micro, small & medium enterprise sector to receive technical and management training that meets their needs at public training centres, nongovernmental not-for-profit organisations, and private training centres, paid for by regional government. The expectation is that this training model will promote competitiveness and efficiency in providing good quality training that meets market needs.
- Providing possible credit (and grants for revolving funds) for poor families and their organisations (cooperatives, associations) to promote the processing and marketing of local products.

## **5.2 RURAL DEVELOPMENT AND AGRICULTURE**

### **Strategic Objectives:**

- To enhance equitable access and participation in agricultural opportunities by unlocking agricultural and entrepreneurial potential;
- To conserve available natural resources in order to ensure sustainable agricultural growth and development.

### **5.2.1 Rural Development and Agriculture**

The Municipality comprises of rural subsistence communities that rely solely on agricultural production as well as the government social security services for survival. The municipality has, however, strategies in place to reverse these high levels of dependency on social grants by stimulating agricultural development. The municipality is in a process of developing an Agricultural Sector Plan.



The core function of LED - Rural Development and Agriculture office is to facilitate agricultural production in Ngqushwa through the provision of community-based initiatives and the creation of a conducive environment for increased investment in agriculture. In many instances, the office of Agriculture in conjunction with District municipality , DRDAR office actively intervene and support initiatives in order to enhance development of local economy in order to enhance food security, job creation and the quality of life for the benefit of all. These interventions will be mainly directed at improving the quality of life of those operating in this sector and redressing the inequalities created by the past.

### **5.3 NGQUSHWA AGRICULTURE FARMING OPPORTUNITIES**

#### **5.3.1 Livestock farming**

The Livestock sector within Ngqushwa is dominated by the Cattle, Goats and Sheep enterprises. Beef, sheep and wool are in most instances farmed as integrated enterprises for optimum utilization of the natural pasture. Livestock also includes Poultry and Piggery farming. The Municipality is assisting the farmers on Livestock Improvement Scheme through provision of infrastructure and production inputs.

CATEGORY	TOTAL NUMBERS
Cattle	37 621
Sheep	29 026
Horses	426
Donkeys	1284
Pigs	3891
Poultry	46 741
Dogs	5 637
Cats	988

Table: Animal statistics in Ngqushwa

#### **5.3.2 Ostrich Farming**

The Peddie ostrich project is a significant showpiece of Ngqushwa. The project currently needs continual support from stakeholders that are the key drivers of agricultural success.



### **5.3.3 Crop farming**

Ngqushwa prides itself with 7 irrigation schemes which produce various crops, particularly vegetables. The irrigation has potential to turn around the rural economy in the area. Crop farming also entails opportunities for diversified crop production including household vegetables and Maize production which is significant field crop grown within the communal areas of Ngqushwa Local Municipality. The main challenge for sustainability of the irrigation schemes is lack and ageing infrastructure such that the production is negatively affected. Besides providing support on Mechanization program and Irrigation schemes, the Municipality is currently developing business plans to source funding for cropping programmes.

### **5.3.4 Exotic fruit**

Citrus, pineapples and pomegranate are the major fruit crops of significance produced in Ngqushwa Municipality . There is a challenge of limited resources and the Municipality is currently liaising with potential investors.

### **5.3.5 Household food security and poverty alleviation**

Coordination with other role-players in food security – This Programme is ensuring sustainable household food security through provision of production inputs, mechanization and fertilizers.

### **5.3.6 Agro –processing**

The Municipality has huge potential for agricultural development and agro-processing. Ngqushwa Local Municipality is committed to the promotion of sustainable agriculture through facilitating value adding activities to agricultural production, for example:

- Api-culture (bee farming)
- Aloe
- Poultry

## **Overview of Amathole Agri-Park**

The Agri-Park development initiative is defined as a network innovation system of agro-production, processing, logistics, marketing, training and extension services (DRDLR). As a network, it enables a market-driven combination and integration of various agricultural activities and rural transformation services. This means that the Agri-Park concept involves integrating collective farming, farmer incubation programmes, Agri-Clusters, and Eco-Villages; while also contributing to land conservation and preservation.

The Agri-Parks Programme seeks to achieve rural economic development through an all-inclusive approach to development by developing agricultural value chains that are linked nationally. The issues of employment, skills development and productivity of land, will also be addressed by the programme. The Municipality is supporting Amathole Agri-Park initiatives through establishment of Farmer Support Production Unit (FSPU).

## **5.4 TOURISM AND HERITAGE**

### **Strategic Objectives:**

- To market Ngqushwa Local Municipality as a tourism destination of choice
- To conserve available natural resources in order to ensure sustainable tourism and heritage growth and development

### **5.4.1 Tourism and Heritage**

Ngqushwa Local Municipality is rich in Tourism and Heritage. Tourism development is dominant in the Municipality, both in inland and coastal areas. There are Tourism and Heritage Nodal points which are tourism attractions. Ngqushwa is rich in Heritage that dates back to the 1800s. These nodal areas provide Tourism packages in the form of Tourism, and Heritage Attractions and Accommodation. Listed below are the Tourism and Heritage Attractions within Ngqushwa Municipality :

- Fort Peddie
- Uhambo Loxolo Hiking Trail



- Makana Route
- Ntsikana memorial
- Fish festival
- Madliki Heritage
- Ayliff church heritage site
- Accommodation (B&B's)
- Isikhumbuzo saseMqwashini
- Great Fish River Reserve.
- Fish River
- Keiskamma River
- Aquaculture
- Hamburg Blue Flag status
- The Keiskamma Art Project
- Hamburg Splash Festival has been revitalised and is now an annual event. It will be used to advertise un-spoilt natural beaches (only beach with a blue flag status) and provide opportunities to locals to showcase their products during the event.

Hamburg has great potential for tourism development since it lies along the Coastal belt. However, there are other resorts such as Fish River Sun and Mpekweni Resort. Ngqushwa Local Municipality is planning to have a memorial park where a heroes' ache will be constructed. All the heroes and heroines will be inducted in that heroes' ache. Another project that has a huge potential is the Mqwashini (Milkwood) Heritage site. The House of Traditional Leaders and Ngqushwa Local Municipality are in the process of sourcing funds for the development of Mqwashini/ Milkwood Tree which has a very rich history pertaining to Ngqushwa area.

The municipality has a 42km coastal line stretching from Keiskamma River to Fish River. There are other small rivers in between the two main rivers namely Birha, Mgwala and Mtati joining the Indian Ocean. There are two dams that are used for fishing, Isinqumeni and Mankazana dams along the Fish River. The offshore and inshore marine environment provides valuable migration and nursery habitats for many marine organisms.





Ngqushwa's marine ecosystem is dominated by a warm current, and supports vast populations of commercially exploitable fish species, some of which are shared with South Africa. The climatic conditions that determine prevailing winds, ocean currents, water temperature and fish stock distribution vary with temporary changes in the earth's atmosphere. As a result, the maximum sustainable yields of fish stocks fluctuate from one season to the next.

The marine fisheries sector is an important foreign exchange earner, and a significant employment generator for Ngqushwa, however, we need a full-fledged harbour in Hamburg. Prior to Independence, the municipal area's fishing industry was subject to open access and, as a result of poor management, over exploitation of some of the most productive fisheries occurred. After Independence, Ngqushwa took firm control of the territorial waters for the marine fisheries sector to grow. Considerable improvements need to be made regarding the monitoring and regulation of Ngqushwa's fish stocks. However criminal elements are exploiting our waters and have been for many years.

## **5.5 SMALL MICRO ENTERPRISES AND COOPERATIVES**

### **Strategic Objective:**

To create an enabling environment that promotes the development of the local economy and facilitate job creation.

### **5.5.1 SME's and Cooperative Development**

Ngqushwa Local Municipality is rural in nature, therefore, has a higher rate of unemployment. The bulk of the economically active populations migrate to cities in search of jobs and better living conditions. In attempting to reduce this migration, the municipality will be developing counter-urbanization strategies such as, SMEs and Cooperative Development Strategy.

Based on the above, Ngqushwa local municipality aims to develop and invest in the SME sector in order to create employment opportunities. The need for business advisory services was identified to be highly imperative to assist in this regard. In addition, the



Municipality is taking the issue of SME development very seriously as it remains one of the key pillars and priorities for accelerated and sustainable local economic development. Local government is an important sphere, within which service delivery is expected to take place; this, of course, takes into cognisance the creation of tools and methods necessary to aggressively deal with the impediments of smooth and accelerated socio-economic development. As the Municipality it is our responsibility, therefore, to take lead in the quest of bettering the standards of living and the livelihood of the locals. The model of Cooperative development and SME Incubation as a mechanism and a vehicle to drive meaningful and sustainable rural socio-economic development has been most welcome by Ngqushwa local municipality .

To enhance the realisation of the outcome of the vision through the model, the Municipality has taken bold steps to support the initiative. With fairness, the inadequacy of Municipal financial resource and muscle would not be able to demonstrate the significance, resilience and will towards supporting this sector. Whilst it is strongly believed that this could be the break-through for Ngqushwa, resource mobilization is an imperative input towards the process of transforming SME development in Ngqushwa. The Municipality has adopted Cooperative development and SME Incubation as a vehicle to transform the SME sector in the Municipality , and the SME is to be established as a facility to transform the Coop and SME sector. The municipality is in a process of establishing SME forum to engage on matters relating to SME's.

The SME Incubation is offering various services to SME's in Ngqushwa LM, such as follows:

- Facilitating registration of Cooperative with Companies and Intellectual Property Commission (CIPC);
- Provide business development advice and services;
- Where an organized and sectorised database is updated and readily made available;
- A one-stop shop to access all government services and programmes relating to cooperative development;
- Meaningful and high impact market linkages for cooperatives;

- Centre for coordinated cooperatives activity including value addition;
- Location where the Cooperatives Representative structure can hold developmental meetings for the development of cooperatives;
- A centre to accommodate other related service offerings by other spheres of government and development agencies, such as DEDEAT, the DTI, SEDA, etc.;
- A centre where cooperation amongst cooperatives is facilitated, highly encouraged, and realized within and outside Ngqushwa Municipal area.

To ensure that there is a sustainable Local Economic Development, it is imperative that relevant policies are in place. These policies will ensure that SMEs and Cooperatives will understand the need of moving towards economic growth within Ngqushwa Municipal jurisdiction. Ngqushwa Local Municipality is planning to develop strategies, policies and By-Laws to ensure business expansion and retention for existing businesses and attraction of further investment, these include, amongs others, Investment Policy and street/ informal trading By-laws .

#### **5.5.2. Ngqushwa Local Municipality LED four main components:**

- Attracting new investment is perhaps the most prominent component of LED in many people's perception. This comprises 'attraction of outside investment' and 'internal development', both of which are primarily concerned with job creation;
- Retaining existing jobs is also an important component of LED. In many cases, ensuring continuity of employment will prove far more successful in enhancing the economy than large-scale investment strategies;
- Although some contend that tax base enhancement is more an outcome than a component of LED, in those parts of South Africa in which Ngqushwa Local Municipality plays a significant role in developing the local economy it is crucial to the affordability of local involvement;
- The overriding reason for having LED at all is to improve the quality of life for the people. Whether in terms of creating jobs, improving aesthetics or providing housing, the real purpose is to enable the entire community to enjoy the benefits of the prosperity that growth and development provide funding "Route to Market"



solutions will be essential for Ngqushwa Local Municipality to ensure sustainability.

It should be noted that not all aspects of LED will be applicable to every Ward. However, all communities are concerned with their local economy and ways to improve it. Each one should seek out those ways that are likely to be of greatest benefit. Moreover, Wards should not regard LED as purely belonging to the private domain. Lobbying national government, provincial government and Ngqushwa Local Municipality for more funding might be a valid LED tool to attract new private business.

A successful LED programme should be based on basic principles, one being that a community must identify and exploit its Competitive Advantages. A main driving force behind decentralisation is the fact that every town, area or community is unique. It has its own advantages and disadvantages. It possesses certain assets that others do not. In other words, it has competitive advantages. LED capitalises on these advantages. If none are found, concentrating on the marketable advantages will be the next best course of action. Competitive advantages are not to be confused with simple strengths and weaknesses (which all communities have), they are those characteristics of an area and its community which can be exploited for that community's benefit.

## **5.6 BIGM PROGRAM**

The program is piloting local economic development initiatives in six Eastern Cape municipalities and Ngqushwa Local Municipality is one of those Municipalities. In November 2016, the Federation of Canadian Municipalities in partnership with the South African Local Government Association (SALGA) launched the BIGM Program to be implemented over a 52 – month period.

The BIGM program aims to improve the capacity of South African municipalities to support effective service delivery, inclusive local green economic growth and enhanced climate change mitigation and adaptation measures.

The City of Innisfil from Canada visited Ngqushwa Local Municipality on 16- 17 October 2017 to facilitate partnership, municipal assessments and baseline linked to project development. Develop project impact, outcomes, outputs, inputs and activities. Currently



the Municipality is working with Innisfil Municipality from Canada to implement this program.

#### Objective of the Programme

- Promote job creation
- Poverty reduction, and
- Enhanced well-being, while empowering women, youth and vulnerable groups, and ensuring their inclusion as decision makers and beneficiaries.

Practically the BIGM project involve:

- Definition of mechanisms, tools, processes and legislative revisions.
- Training activities, workshops, conferences, etc.
- Canadian expertise
- Partnership with Canadian municipalities
- Visits to Canadian municipalities
- Training staff and councilors
- Developing policies.

### **Entrepreneurial Ecosystem**

#### Project description Innisfil Entrepreneurial Ecosystem

An entrepreneurial ecosystem encompasses everything entrepreneurs need to start, build or grow their business. We are mapping out the Innisfil entrepreneurial ecosystem to better understand what we have to offer, and how we can connect entrepreneurs to the available resources. Mapping out the entrepreneurial ecosystem will help us identify our ecosystem strengths and weaknesses and will help set the direction of our ecosystem development strategy.

The Innisfil economic development team will use the entrepreneurial ecosystem to connect local entrepreneurs to resources they need to start, build or grow their business. We will do this through our website (content, guides, videos etc) and concierge service.



## Goals

- Map Innisfil entrepreneurial ecosystem
- Develop relationships with key ecosystem stakeholders
- Develop ecosystem navigation tool to connect entrepreneurs to relevant resources based on their business and stage in business lifecycle.
- Create awareness for ecosystem resources and the fact the Town of Innisfil is 'open for business' and ready to support entrepreneurs.
- Package Innisfil entrepreneurial ecosystem together with Town of Innisfil unique selling points to position the town as a great place live and do business.
- Develop and implement Innisfil Entrepreneurial ecosystem development strategy

## Products

- Design / map that visualizes Innisfil Ecosystem
- Website content
- Ecosystem navigation tool
- Database with contact information of key ecosystem stakeholders

## **Action Item Ngqushwa**

- Brainstorm about your local ecosystem.
- Are entrepreneurs using the ecosystem to start, build and grow businesses today? Or not?
- What to entrepreneurs need to start, build and grow a business?
- Could the local ecosystem provide support for entrepreneurs? If so, are entrepreneurs aware of the available resources?
- How can the Ngqushwa economic development team capture the entrepreneurial ecosystem and make it easier for entrepreneurs to navigate and use?

## **How to map out an entrepreneurial ecosystem**

To start mapping out an entrepreneurial ecosystem you need to identify the ecosystem resources and layers. Resources are the services and products entrepreneurs need to start, build and grow a business (e.g. funding, business plan support, office space), and





layers will help you sort the resources into categories (e.g. distance from central location).

### Ecosystem Layers

The entrepreneur is at the centre of the ecosystem. For the Innisfil ecosystem we decided to look at the ecosystem from the entrepreneur's point of view and filter the ecosystem resources by travel distance from Innisfil to show the time it would take an entrepreneur to access them. In other words, what is available in Innisfil itself, what is available in the neighbouring communities, what is available in Toronto etc.

- 0 – 30 minutes
- 30 – 60 minutes
- 60 – 90 minutes
- Online / not location specific

### **Action Item Ngqushwa**

Think about the Ngqushwa entrepreneurial ecosystem resources and how you can filter them into layers to make it easier for entrepreneurs to navigate. You could use travel time like we did for Innisfil, travel distance, municipal / regional borders etc.

### Ecosystem resources

Ecosystem resources are the services and products entrepreneurs need to start, build and grow a business. There are many ways to identify these resources, and every city tends to organize them slightly different. For the Innisfil ecosystem, we wanted to keep it as simple as possible so we created 'resource buckets' that represent the most important resources entrepreneurs in Innisfil need to succeed.

*Talent & Training* – Entrepreneurs opportunities to develop themselves, and learn the vital skills they need to succeed in business (finance, marketing, planning, coding etc). They also need access to a trained workforce to help them deliver the products or services they sell.

*Community* – Entrepreneurs need a community of entrepreneurs around them to share experiences, get help, learn and partner. Being an entrepreneur is difficult and having a support community will help entrepreneurs succeed.



*Funding* – Entrepreneurs need money to start, build and grow their business, where can they find it? And in what form? Business loan, kick starter campaign, equity investment etc. Where can entrepreneurs go to find money? And what do they need to qualify?

*Incubation & Acceleration* – Entrepreneurs need direct help with starting, building and growing a business. Incubators and accelerators are organizations that help entrepreneurs do exactly that! From help with writing a business plan to promoting your business and finding funding.

*Support organizations (government, not for profit etc.)* – What resources is the government providing to help entrepreneurs? Conferences, events, courses, tax credits, grants etc.

*Facilities* – What facilities does an entrepreneur need? Computer, car, internet connection, office space, warehouse, production facilities, farmland etc.

### **Action Item Ngqushwa**

What do Ngqushwa entrepreneurs need to succeed? Brainstorm and write down everything you can think of. Once you have 50 to 100 items try to sort them into categories with similar characteristics to develop your ecosystem resource buckets.

**Goal for this trip = Defining the ecosystem layers and resource buckets.**

## **5.7. STAKEHOLDERS THAT WE WORK WITH IN NGQUSHWA LOCAL MUNICIPALITY LED DEVELOPMENT PROCESS**

- Elected and senior appointed public officials
- Representatives of regional or central government
- Directors of large industries and businesses
- SME owners and managers
- Entrepreneurs
- Bank managers
- Directors of major public utilities
- The director of the local Chamber of Commerce and other business association
- Council for Scientific and Industrial Research
- Representatives of local schools and universities

- Newspaper and other media representatives
- Local representatives of central government offices
- State owned Enterprises
- NGO representatives
- Representatives of local churches
- Representatives of labour unions
- LED Forums

## 5.8. FUNDING SUPPORT IN SOUTH AFRICA

There are numerous sources of funding for the inputs that can contribute to developing Ngqushwa Local Municipality economy. The challenge is to build the requisite capability both at local, provincial and national government level to guide the mobilisation and application of funding in local economies in an effective manner. Funding should also follow strategy and be based upon the shared understanding across government of the economic outcomes envisaged.

Funding Source	Challenge
Local government own revenue	Municipalities should generate more own revenue through increased economic activity in the form of property taxes and sale of municipal services.
Equitable Share (ES)	<p>(1) Increase in overall national growth generates more revenue for municipalities. High growth municipalities support low growth municipalities through national Transfers - redistributive measure.</p> <p>(2) Fund development function of municipalities through the currently undefined development component of the equitable share.</p> <p>(3) Improve utilisation of provincial equitable share and transfers to municipalities to support integrated sustainable human settlements and robust local economies.</p>
Municipal Infrastructure Grant (MIG)	(1) The current level of transfers supports mainly basic infrastructure development. This in itself needs to be spent and utilised better by municipalities.

	(2) The MIG does support infrastructure for economic development. This "E" portion could be increased. Infrastructure for street traders, for example, should be developed utilising the MIG.
Neighbourhood development partnership grant (NDPG) and urban development incentives (National Treasury) and Small Town Revitalisation	Municipalities to organise themselves and apply for the NDPG over the 2006-2009 MTEF period. Inner city strategies to maximise usage of property development incentive from urban development zone program. Consideration should be given to expand to areas outside inner cities.
Sector support (National departments and State Owned Enterprises) Includes range of support to give effect to the Industrial Policy framework for customised sector development, enterprise support, critical infrastructure and spatial development initiatives	<p>(1) There is a range of funding sources available for sector specific initiatives from national departments. The challenge is both for better communication on the side of national departments about these funds and for municipalities to be more proactive in linking with these initiatives.</p> <p>(2) Better institutionalised inter-governmental coordination at district/metro level should address this challenge through joint planning.</p> <p>(3) Many sector programs are also delivered directly in municipal areas. This together with funds that can be channelled through municipalities need to be organised better so that the integrated impact and outcomes optimises economic development in the local space</p>
Development Finance Institutions (DFIs) such as IDC, DBSA, National Empowerment Fund IDT, NDA; and private banks, venture capital companies	The challenge is to link local enterprises to these support instruments more effectively through better communication and information. Growing and expanding the number and size of local businesses is the key for local economic development. Mobilising corporate social investment and support for cooperatives need to be expanded through public-private partnerships.
Donor funding	Coordination and ownership of donor support by government are critical. The mainstreaming of these support instruments into the programs of government is required. The large EU support for LED in Kwazulu-Natal, Limpopo and Eastern cape, for example, has to be optimised around government's vision for local economies in these areas expressed through the PGDSs and LED programs.

Figure : Funding Support in South Africa



## **5.9 LED DEPARTMENT INTENDS TO DO THE FOLLOWING PROJECT IN THE NEXT 4 YEARS**

- Implementation of LED Strategy
- Implementation of SME Strategy

## **5.10 CHALLENGES FACING THE LED DEPARTMENT**

- Access roads and aging infrastructure to execute Agricultural projects
- Lack of funds for Tourism unit
- The inexperience of previously disadvantaged farmers to manage risk associated with agricultural production
- Lack of funding for capacity building of SME;s
- Slow transfer of land
- Issue of communal land (Traditional leaders against new development)
- Climate change
- Poor natural resource management
- Lack of access to finance by historically disadvantaged farmers
- Investors taking advantage of Ngqushwa Farming Communities
- Lack of sustainability due to limited resources, interest in young generation
- Minimum monitoring
- Non allocation of MIG for LED programmes and projects

## **5.11 RESPONSE TO THE CHALLENGES**

- Budgeting and the full participation of sector department to Intergovernmental Relations Forum
- Source funds from sector departments
- Provision of Agricultural trainings to subsistence and emerging farmers on appropriate technologies, modern approaches and indigenous knowledge systems
- Government sector Integration to fast track transfer of land and service delivery



- Promotion of economic development and the development of rural enterprises by having links with strategic partners
- Natural resource management
- Creating funding opportunities and developing expression of interest for investors that are keen to work with disadvantaged farmers
- Building or improvement of economic infrastructure that support agricultural development such as dipping tanks, fencing agricultural production areas, marketing stalls, irrigation schemes, access roads, packing sheds, sale pens
- Development of investment policy
- Development of agricultural development institutions
- Monitoring and evaluation





## SPATIAL DEVELOPMENT

### 5.11 INTRODUCTION

Section 25 (1) of the Municipal Systems Act (32 of 2000) states that each municipal Council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality . Once the above is done, Section 26 (e) of the Municipal Systems Act (Act No. 32 of 2000) states that a Spatial Development Framework (SDF) in respect of a Municipality 's area of jurisdiction is a legally required component of a Municipality 's Integrated Development Plan (IDP). In line with the above legislative mandate, sections 12, 20 & 21 of the Spatial Planning and Land Use Management Act 16 of 2013 read with sections 4 & 5 of Ngqushwa Municipal Spatial Planning & Land Use Management By-Laws of 2016 mandates the municipality to prepare a spatial development framework which interprets and represents the spatial development vision of the municipality .

The current Spatial Development Framework (SDF) of Ngqushwa Local Municipality was adopted by Council on the 04 July 2014. This SDF was developed to create a strategic, indicative and flexible forward planning tool to guide planning and decisions on land development. The municipality is currently in a process to review its Spatial Development Framework to be aligned to SPLUMA. The SDF provides for a spatial logic which guides private sector investment and at the same time ensures social, economic and environmental sustainability of the area. Spatial priorities were identified, and places where public-private partnerships are a possibility and where areas of greatest economic potential and need for poverty alleviation are highlighted and promoted.

The SDF depicts a settlement hierarchy indicating the regional centre, sub-regional centre, ward centre and village centres. It also indicates the settlements development nodes distinguishing between rural settlements, urban settlements and coastal zones. A social services development framework, local economic development framework, conservation areas, infrastructural development framework, the distribution of social services (schools, clinics, hospitals, sports stadiums), road networks, rivers, villages and



power lines are all indicated in the maps found in the SDF attached. Projects identified in the IDP will be considered against the backdrop of the SDF in order to spatially arrange the locations in a logical and practical manner.

Due to legislative mandates and leadership changes, the old Integrated Development Plan was reviewed by the current administration and this with other legislative developments has led to the need to review the current Spatial Development Framework as stated in Sections 25(1) and 27 of the Municipal Systems Act (32 of 2000) respectively. The current SDF will be reviewed in order to align with Spatial Planning and Land Use Management Act 16 of 2013 read with Ngqushwa Municipal Spatial Planning & Land Use Management By-Laws of 2016 and the Municipal Vision 2057.

**Strategic goal** – “ To ensure that Spatial Planning and Land Use Management responds to social,economic,environmental and cultural needs to promote sustainable livelihoods in accordance with SPLUMA principles and the NDP”.

### **Strategic Objectives**

- To review and implement a wall to wall SPLUMA compliant Spatial Development Framework (SDF).
- To create community awareness of planning and building policies and legislation.
- To ensure effective implementation and decision making in line with SPLUMA principles and processes.
- To improve asset register (immovable property), revenue generation and compliance with zoning regulations.
- To review and implement a Housing Sector Plan (HSP) to facilitate planning and development of Human Settlements.

Ngqushwa Local Municipality should have well-managed settlement zones and the environment, with access to land by promoting land expropriation , infrastructure and socio-economic services, well-developed transport routes, good governance and efficiency.

The primary aim is to motivate for a futuristic Framework for Ngqushwa Local Municipality within the context of the national and provincial spatial development imperatives. This



should be done with due cognisance of the spatial policies of Amathole District and our neighbouring municipalities. Its specific objectives are as follows:

- To give effect to the vision, goals and objectives of the municipal IDP ,NSDP and PSDP;
- To engage the interested and affected parties in a strategic planning process taking into account their views, concerns and interests;
- To promote inter-governmental relations by ensuring that all relevant government departments are consulted and participate actively in the planning process;
- To provide for the spatial transformation of Ngqushwa Local Municipality area;
- To provide sustainable development in line with the norms and standards for environmental management;
- To facilitate the development of an efficient and effective spatial structure for Ngqushwa
- To develop a framework for public and private sector investment for Ngqushwa Local Municipality .

## 5.12 SPATIAL PROPOSALS

### 5.12.1 Spatial Analysis (Settlements)

#### 5.12.1.1 Hamburg Settlement Zone

**Locality and description** – it is bounded by the Keiskamma River, which forms the eastern boundary of the municipal area, extending as far as Bodiam.

**Objective** – To actively promote, develop and market Hamburg as a holiday destination, planning to ensure the proper conservation of the sensitive coastal and river areas and the unblocking of land related problems for tourism development, and revenue enhancement. Ngqushwa Local Municipality has resolved to develop Hamburg into a town and plans are afoot as far as that project is concerned.



### **Proposals:**

- The municipality to partner with Amathole District Municipality , through Aspire and other stakeholders like Department of Public Works, Department of Water and Sanitation (Aqua-culture), Department of Economic Development, Environmental Affairs and Tourism, Department of Rural Development and Land Reform, Keiskamma Trust, and other relevant in the development plans for Hamburg. This will also guarantee capacity building and sustainability of the envisaged programs
- Investigate smallholdings zoned as agricultural to determine intensity of use and make recommendations for densification
- Development of a Local Spatial Development Framework and Land Use Management Schemes to guide development for the next 30 years
- There is a need to develop a tourism association that will drive a calendar of events including the Hamburg Splash Festival
- Investigate infrastructure requirements which will meet the needs and ensure existing potential is fully utilised.
- Surfacing of the portion of R345 road so as to easily access Hamburg.
- Implementation of Prevention of Land Invasion Policy and other related legislation.
- Political intervention as Department of Rural Development and Land Reform are not responding to request for land release or disposal to the Municipality.

#### **5.12.1.2 Peddie Settlement Zone**

Locality and description Area around Peddie Town

### **Proposals:**

- Preparation and implementation of land use management guidelines
- Political Intervention and negotiation with Department of Public Works to transfer their properties to Ngqushwa Local Municipality
- Implementation of a Master Plan/Structure Plan to guide development for the next 30 years



- Identify infill areas within the town and villages to be earmarked for densification.
- Investigate smallholdings zoned as agricultural to determine intensity of use and make recommendations for densification
- Formalisation of all informal settlements in and around Peddie
- Investigate infrastructure backlogs and make plans to eliminate such backlogs
- Identify market or business sites for informal traders
- Education and skills development amongst the local community.
- Development of Adult Education centres and Early Childhood centres

Besides Hamburg and Peddie settlement zone the other settlement zones were identified in the previous SDF. These areas have huge potential to develop into vibrant focus areas but have limited services and development. These include the following:

- Prudhoe / Mpekweni and Mgababa (Ward 11) Area Settlement Zone – Chicory farm
- Glenmore/Breakfast Vlei Area (ward 8) Settlement Zone – Livestock and game reserve
- Coastal Belt Settlement Zone (ward 12) - Tourism
- Tyeni/Ntilini/Qaukeni Settlement Zone (ward 3 and 4 ) – Goat Production
- Mavatulana/Zondeka Settlement Zone(ward 2)– Goat Production
- Tuku / Crossroad Settlement Zone (ward 5)– Pineapple Production

## 5.13 INFRASTRUCTURE

### Proposals:

- All areas with limited access to services are identified and such services are provided;
- Identification of poorly maintained rural access roads;
- Drafting of maintenance plans for rural roads and carrying out maintenance work on these roads; and
- Important roads linking places of economic and social activities need to be maintained and improved, such as those leading to irrigation schemes.

These include the following:

- N2 (From King William's Town through Peddie to Grahamstown);
- R 72 (Coastal road from East London to Port Alfred);
- Provincial Road (14 km Provincial road from R 72 to Hamburg);
- Provincial road from Cross Road across Keiskamma River to King William's Town villages;
- Provincial road from Great Fish River Mouth through Mpekweni location to Lewis location (R72–N2 Grahamstown N2);
- Provincial road from Peddie to Double-drift Game Reserve; and
- Investigation of alternative renewable energy sources

## 5.14 ENVIRONMENT

Due to the size of the Municipality, Environmental policies implemented are those developed by Amathole District Municipality . There are many environmental challenges facing Ngqushwa Municipality , such as alien plants, landfill site (closer to new Power Settlement) which need to be relocated, cemetery space and other related issues. However, the following themes are considered to be a priority.



## Proposals:

- Ngqushwa Local Municipality officials to work in unison with ADM officials;
- Disseminate information and educate relevant Municipal officials on environmental policy and legislation;
- Limit expansion of housing and other developments into areas of high conservation value;
- Exclude developments, except those with minimal impact on the sensitive vegetation (e.g. indigenous forests, coastal dunes, wetlands and thicket );
- Designate estuaries as suitable for ecotourism ventures;
- Implementation of Land Care projects to rehabilitate degraded areas;
- Limit further agricultural expansion into natural areas without first attempting to rehabilitate existing areas;
- Identify areas with high alien species invasion for rehabilitation with the aid of the Working for Water Programme;
- Focus efforts on arresting encroachment into estuarine and riparian zones;
- There is limited information on the groundwater capacity of the Ngqushwa Local Municipality area, thus obtain assistance from the Department of Water and Sanitation to carry out a geohydrological assessment of groundwater resources in the municipality ;
- Link development to provision of water to communities; and
- Proposed new housing developments, where possible, allocate land for housing that is not environmentally sensitive, where water supplies are available and proposed sanitation services are suited to the environment.

## 5.15 LAND USE

### Proposals

- Commonage needs to be effectively managed and controlled, therefore develop commonage management plan



- Expansion of commercial agricultural developments, identify land suitable for expansion of agriculture that does not conflict with environmental integrity and conservation.
- Expansion of land for communal grazing, identify land suitable for commonage near settlements that does not conflict with environmental integrity and conservation

## **5.16 COASTAL**

Promote sustainable coastal development

### **Proposals**

- Promote distinctly coastal development opportunities.
- Promote nodal development and densification of existing coastal nodes and discourage coastal sprawl
- Identify areas suitable for Mariculture.
- Refer to EMF guidelines when considering any coastal development or expansion.

## **5.17 CLIMATE CHANGE**

Develop a climate change response programme

### **Proposals:**

- Liaise with ADM and DEDEAT to develop a climate change response strategy for the Municipality
- Take guidance from ADM and DEDEAT climate change response strategy
- Identify locations for renewable energy projects such as wind-generated energy, bio-fuels and solar.



Ngqushwa Municipality has wind and solar resources suitable for generating renewable energy

## 5.18 LAND USE SCHEMES

Ensure wide development and implementation of land use schemes that are SPLUMA aligned

### Proposals:

- Ensure that important land use schemes and programmes are widely distributed within the municipality .

## 5.19 BIO-DIVERSITY

Protection of the core bio-diversity areas, natural resources and the ecological system. The biophysical environment of Ngqushwa is characterised by diverse ecologically sensitive areas. The area has a high degree of aesthetic appeal and is also rich in natural resources that are ideal for the eco-tourism industry such as the physical landscape (mountains, valleys, the coastline, dune systems, sand beaches, estuaries and wetlands) As echoed in the PSDP it is critical that core biodiversity areas (reserves, wetlands, parks, steep slopes and special sensitive bio-diversity areas) should be properly identified and properly managed. The spatial distribution of environmental bio-diversity areas of significance as contained in the **Eastern Cape Biodiversity Conservation Plan (EC BCP)** are considered to be critical. Identification of areas where development needs to be avoided or at best, carefully managed is important.



Areas of conservation importance and eco-tourism potential include:

- The coast line and marine resources
- Coastal forests occurring in close proximity to the coastline
- Wetlands including coastal and inland wetlands
- Estuaries, streams and rivers
- Nature reserves

While it is difficult to develop a set of guidelines that will address conservation considerations for every land parcel in Ngqushwa LM, the following general principles should be considered:

- All indigenous forests must be conserved except under exceptional circumstances
- There should be no development in any riparian area except under exceptional circumstances
- Development within the Coastal Protection Zone should be consistent with the objectives of the White Paper for Sustainable Coastal Development and the Coastal Management Bill
- Where development or land-use change is deemed appropriate, development should first occur in transformed and non-restorable areas before consideration is given to opening up additional areas for development.
- Where development or land-use change of sensitive areas is deemed appropriate, consideration should be given to the establishment of appropriate off-sets in addition to the rehabilitation of existing disturbed areas
- The assessment of proposed development or land-use change should anticipate future land-use pressures
- Development outside the urban edge should only be contemplated if real environmental benefits can be demonstrated or appropriate off-sets are provided.



## **5.20 REHABILITATION OF DEGRADED AREAS**

It is essential that wards, where degradation has occurred, are identified and mapped. In ward 8, degradation has occurred due to poor veld management, uncontrolled burning and overgrazing. These practices result in loss of fertile agricultural soils and cause a general ecological decline of the area. Good management practices have to be employed to combat these practices. The community also needs to be educated on management practices.

Deforestation which is caused by the indiscriminate felling of trees for domestic purposes including firewood, construction and medicinal purposes has occurred in Ngqushwa LM. These practices which result in a reduction of botanical diversity, loss of aesthetic value and economic potential of the area have to be dealt with. Illegal sand mining also occurs in various locations along the coast and such areas should be identified and rehabilitated. The community has to be educated on the effects of deforestation and afforestation programmes have to be employed. Use of policing and prohibitive fines for those caught in these illegal activities should be employed.

## **5.21 RURAL DEVELOPMENT**

Land in the rural areas is primarily owned by the state. As a result, the process of releasing land is very slow and has been reported to be very problematic. There is generally lack of tenure security and a weak land administration system in rural areas

### **Strategic Objective:**

- To improve access to rural land and clarify who is responsible for which land. Working together between different authorities through Intergovernmental Relations.
- Improve relations between traditional authorities and LM and clarification of roles
- Convert the tenure of large tracts of state-owned land to communal ownership.
- Obtain support from local government and land claims commission in finalising Land Redistribution for Agricultural Development (LRAD) processes and implementing the Communal Land Rights Act.



## 5.22 DISASTER MANAGEMENT AND CONTINGENCY PLAN

Due to changing climatic conditions, there is a need to plan ahead. Even though disaster management and Contingency plans is function of the district it is of vital importance for the Local Municipality to:

### **Proposal:**

- Development, or adopt the district, and implementation of Disaster Management and contingency plan
- Recruitment of personnel
- Workshop the community

## 5.23 ECONOMY: TOURISM AND HERITAGE

Development of the existing tourism potential by harnessing different types of tourism products such as cultural, historical and adventure tourism in different parts of the municipality :

- Great potential for tourism development in the Hamburg Expanded Development Initiative (HEDI) area but it is through the synergy of tourism product development that this area will develop to its full potential.
- Adventure based tourism such as mountain and quad biking, hiking and canoe trials holds great potential in the municipality . This is owing to its natural environment.
- Establishment of a tourism information centre and hub
- Further research on the Amathole Heritage and hiking trails.
- Proper mapping of heritage sites and tourism nodes
- Identification and construction of Heroes' Ache Monument in Peddie.





## 5.24 Agriculture

### Strategic Objective:

- Improve agricultural production, making use of available resources, starting with areas with the greatest potential and available or close to infrastructure.

### Proposals

Prioritise development (coupled with sourcing of funding) within areas with potential identified in the previous SDF.

- Sort out land ownership problems and organise funding for purposes of Intensive commercial – orientated agriculture: Areas identified for irrigated crop production -Tyefu Irrigation Scheme area, Keiskamma River Citrus.
- Investigate and identify areas suitable for ranching activities around the coast
- Invest in reviving old but viable irrigation Schemes - mainly along the Keiskamma River watercourse and the existing Tyefu irrigation zones.
- Develop Pineapple Production in the existing pineapple farm areas – Wards 6, 11 (3 pineapple farms) 12 and 14 by inviting potential investors.
- Investigate subtropical fruit, vegetable and fodder crop production along the Keiskamma River.

## 5.25 SMES AND COOPERATIVES

### Proposals

- Improving the level of services in basic infrastructure
- Implementation of poverty alleviation programmes as identified in the LED strategy and Poverty Alleviation strategy
- The municipality to develop income generating projects to minimise dependency ratio.
- To promote economic growth with the Municipality through Incubator system.

## 5.26 MINING

### Strategic Objective

- To conduct municipal wide mining and geological resource assessment and manage existing mining

### Proposals

- LM to ensure proper documentation and spatial mapping of all its available resources
- Proposed joint venture with the Gauteng Lime Factory to open the lime mine in ward 11 and 7 in the Mpekweni area on Pato's Kop.
- Formalise and regulate illegal sand mining, particularly along the coast.

## 5.27 GOVERNANCE

### Strategic Objectives:

- Effective implementation of the SDF and Land Use Management System

### Proposals

- Improve knowledge and understanding on the importance of spatial planning
- Implementation of Land Use Management and discourage informal settlements and urban sprawl
- Monitoring of spatial/growth trends to be in line with future planning
- SDF Review to be in line with IDP Review and SPLUMA Principles
- One system of land planning and management legislation will lead to efficient spatial distribution of public sector investment and private sector interests.
- Finalisation of land claims to allow development to proceed



## 5.28 Human Resources

### Strategic Objective

- Augmenting existing capacity to deal with land use management and housing issues by increasing knowledge and awareness of the decision makers on the need for planning.
- Ngqushwa Local Municipality does not currently have an Authorization Officer. A Manager in Spatial Planning is currently executing the functions of the Town Planning Administrator.

### Proposals

- Partnership with District Municipality intended for the development and implementation of legislation
- Awareness creation, training and capacity building about land use management and the SDF.
- Targeted skills attraction and retention. This includes affordable middle-income housing, affordable quality education and health services, affordable public transport systems, good personal safety and security, and leisure and entertainment facilities and choices.
- Targeted capacity development to undertake development planning
- To ensure that a Sports Academy within Ngqushwa Local Municipality is developed so as to develop skills and capacitate local communities by 2057.

## 5.29 LAND AND HOUSING

### Strategic objective:

- Develop and submit business plan to department of human settlement.
- Development of housing needs register.

### **5.29.1 Settlement patterns**

Ngqushwa is predominantly rural with only 5% of the population living in the urban areas, as opposed to 95% of the population who reside in the rural areas. The settlement patterns of Ngqushwa can be divided into the following categories:

### **5.29.2 Urban areas**

Peddie and Hamburg are the only two proclaimed towns within the municipality. There are peri-urban settlements established outside of both of these nodes which in the case of Peddie almost encircle it.

Peddie can be regarded as a regional hub for service rendering to the entire municipal area. The majority of the region's services and facilities are located and economic and social functions are performed. It also plays an important administrative role as the seat of the municipality is also in Peddie. Not all areas of the town are serviced, particularly the lower income areas which are found in the main part of the town. Hamburg is primarily a holiday destination. The municipality is gradually developing Hamburg and wants it to be a suitable site for tourism.

### **5.29.3 Rural areas**

The majority of the population that is 95% resides in the rural areas which means that access to essential services and facilities by the majority of the population is also limited. This also compromises the municipality's ability to raise revenue on the basis of services. These limitations have been recognized by the municipality and are in the process of being addressed.

There are 108 rural villages which are scattered throughout the municipal area. These villages are surrounded by commonage land that is used for a mix of agricultural purposes including crops and livestock which are farmed primarily on a subsistence basis.

Rural villages can be classified as Traditional rural villages such as bell, bodium, crossroad, lover's twist, etc. Which owe their establishment to their proximity to an



agricultural resource base. Rural villages established in response to commercial agricultural needs in terms of labour on commercial farms. These villages are primarily in ward 5 and 12 which include Benton, Tharfield, Jamesdale, Stourpoort and Lewis (ward 9).

Holiday resorts such as birha, mgwalana, and mpekweni resorts which are newly developed in response to the localized resort potential of the coastal area. Minor and isolated farm communities scattered throughout the municipal area.

#### **5.29.4 Conservation areas**

There are a number of environmentally sensitive areas which are categorised as conservation areas and which are primarily situated along the coast.

#### **5.29.5 Land tenure availability and distribution**

There is sufficient rural and urban land available in Ngqushwa municipal area to accommodate the short, medium and long term demand for land. Land release is however problematic and numerous tenure and distribution issues needs to be addressed. In Ngqushwa municipal area, most urban land is owned by the municipality . Rural land is however primarily state owned and interspersed with a number of informal land rights.

A need was identified to convert the tenure of the large tracts of state owned land to communal ownership. Land release for housing projects has either been very slow, or has not been responded to in spite of the submission of applications to that effect. Ngqushwa is also characterized by a diversity of land uses and land tenure which is primarily attributable to the previous dispensation as evidenced by historical forms of land rights, such as african freehold, quitrent and permission to occupy (pto) which are still prevalent in the area.

The land tenure arrangements prevalent in Ngqushwa are summarized in table below:

LAND TENURE	LAND RIGHT
Bell/bodiam	Freehold/quitrent
Thyefu irrigation scheme communities of Glenmore, ndwayana, pikoli-kalekeni and ndlambe. Glenmore established late 70's early 80's, Ndwayana	Pto's in dense settlement Others old nineteenth century settlements Pto's under ta New tenure arrangements introduced by Ulimocor/irrigation scheme, with foot plots, etc., but never with full community sanction.
All other rural settlements	Pto's
Surveyed farms, formerly white owned, purchased by sant to consolidate former ciskei	Currently black owned or "leased" pending transfer to black farmers (conveyancing problems) or to be transferred to groups of occupiers with ipilra rights-cpa.
Former ulimocor pineapple farms, same as above. Three separate blocks of land in the south east.	Tenure still under the state, company (pineco) running pineapple production, workers organized under Peddie pineapple development Trust-intention to investigate transfer of land to trust over time.

Table: Land tenure arrangements within Ngqushwa

There are a number of surveyed farms which were acquired from former white owners, some of which are in the process of being transferred to black commercial farmers and holders of ipilra rights. There are also farms which have been transferred to former lessees who had deeds of sale under the Ciskei regime. Delays are however being experienced with the transfers of the above properties due to a number of reasons including unregistered subdivisions. Land redistribution of land is also a complex issue and is a major issue within this municipality . The Amathole District Land Reform and Settlement Plan identified the following crucial issues in respect of the current state land disposal process.

- There is a lack of consultation between the local municipality and department of Rural Development and Land Reform (drdlr)/.Department of





Rural Development and Agrarian Reform (drdar) over decisions regarding the disposal of state farms.

- There is insufficient information about the extent and availability of land earmarked for disposal available to the local authority and communities.
- Legitimate land owners do not have their title deeds.
- The process whereby the legal occupant of land is identified needs to be done faster.
- Communities need to be given information on how to access land for farming and the relevant policy provisions.
- There is a need for greater support and communication from DRDLR

The restructuring agreements and subsequent land rights and transfers between the former parastatal, ulimocor and the Peddie community development trust need to be finalized as there are economic benefits to this. There are unresolved land claims that still needs to be resolved.

## 5.29.6 Housing

### 5.29.6.1 Current Housing Projects

Project Name	Area/Ward	No. of Units	Project Type	Status Quo
Peddie	08	105 + 395	Greenfield and Rectification	Construction
Mpekweni	11	500	Rural housing (In-situ)	Procurement stage
Gcinisa South	12	500	Rural housing (In-situ)	Procurement stage
Hamburg	12	500	Rural housing (In-situ)	Procurement stage
<b>Total</b>		<b>2500</b>		

Project schedule- approved housing projects

- **Peddie 500** – This project is split in two phases comprising of construction of 105 units and the rectification of 395 units. The project is ongoing with 63 units complete and 43 units outstanding due to the contractor being liquidated. By the time of the compilation of this review, the municipality was advised that the

Department of human settlements is in the process of procuring a contractor to complete the project.

- **Mpekweni 500** – this project is at procurement stage, the Department of Human Settlements has split the project into two phase of 200 units and 300 units.
- **Gcinisa South 500 and Hamburg 500** – these projects are at procurement stage.

### 5.29.6.2 Backlogs

**Planned and surveyed sites.** The following settlements within the municipality have been planned and surveyed as for some time. The aim was to facilitate service and infrastructural provision as advanced by the rapid land development and people's housing process. However the list of projects below have been blocked for some time.

Area	Initial No of sites	No. of sites blocked	In Progress
1. Hamburg	600	100	500
2. Mpekweni	1000	500	500
3. Ntilini	471	471	-
4. Prudhoe	50	50	-
5. Feni	1000	1000	-
6. Pikoli	820	820	-
7. Cisira	500	500	-
8. Runletts	450	450	-
9. Tuku A	27	27	-
10. Durban	500	500	-
11. Madliki	500	500	-
12. Crossroads	440	440	-
13. Upper Gwalana	598	598	-
14. Nonibe	123	123	-
15. Mgababa	780	780	-
<b>Total</b>	<b>7859</b>	<b>6859</b>	<b>1000</b>

Table Planned and surveyed sites.

Additional areas have been identified and a business plan submitted to the Department of Housing, Local government and Traditional Affairs for their survey and planning. The surveying and planning of Mavathulana was in progress at the time of compilation of this report.



Area	No.of sites
Mavathulana	600
Dlova	300
Lewis	250
Mankone	500
<b>Total</b>	<b>1650</b>

Table Areas Identified for survey and planning.

### 5.29.6.3 Future Projects

Six business plans were submitted to the Department of Human Settlements for the development of the projects listed below.

Project Name	Area/Ward	No. of Units	Project Type
Glenmore	7	1000	Rural housing (In-situ)
Ndlovini	8	500	Urban
German Village	8	370	Urban
Tuku A	6	500	Rural housing (In-situ)
Lewis	9	237	Rural housing (In-situ)
Nonibe	1	702	Rural housing (In-situ)
<b>Total</b>		<b>3309</b>	

### 5.30 Challenges

- Non-Availability of beneficiaries: Some of the beneficiaries could not be found when their houses were complete, this resulted in these houses being vandalized. 23 houses were vandalized in phase 1 of **Peddie 1420**.
- Unoccupied houses/units: In phase 2 of Peddie 1420, 22 houses were vandalized as the houses were not handed over to the beneficiaries due to services that needed to be rectified.
- Non – approval of sites for settlement development: Some of the land earmarked for the building of houses, was not approved by Environmental Affairs as the sites were near a dam. These sites had already been allocated to beneficiaries that had to be moved elsewhere, so they need to be deregistered from the old sites and register on the new sites.

- Incompetence and Liquidation of contractor: Peddie 500 not complete due to liquidation of contractor, some of the houses are vandalized due to houses that are not occupied. A contractor was appointed to build 105 new units and rectify 395, the community of Peddie extension felt that the 395 should be demolish and rebuild. Engagements between the community, Department of human settlements and Ngqushwa Municipality led to the reduction of the contractor's scope to focus only on the 105 new units, whilst the parties find an amicable solution.
- Tempered beneficiary lists: Some of the 36 beneficiaries discovered that their names had been withdrawn from list, when they came to the Municipality to collect their keys.

In trying to resolve the issue of vandalism the Municipality advertised untraceable rightful beneficiaries on various sources of media (Daily Dispatch, radio, municipal notice board and through ward Councillors). The municipal Council to deregister the untraceable beneficiaries so that the houses can be located to destitute. The DoHS is aware of the abovementioned challenge and is dealing with it as they are in the process of procuring other contractor to finish the work.

### **5.31 Issues for consideration**

Based on the analysis done, the following are the issues that need to be considered:

- Major review of the Housing Sector Plan.
- Lack of interaction and means of communication between municipality and PDoHS.
- Upgrading of existing sewer system.
- Poor facilitation and coordination of Sales Administration processes.
- Vandalism of unoccupied houses.



### **5.32 THE SPATIAL PLANNING DEPARTMENT INTENDS TO THE FOLLOWING PROGRAMMES FOR THE NEXT 5 YEARS**

- Development of terms of reference and appointment of service providers for review of SDF
- Conducting awareness campaigns on by-laws
- Appointment of Authorizing officer
- Development and implementation of grazing land policy
- Facilitation and coordination of housing development
- Unlocking and registration of land parcels owned by government departments
- Constant updating of housing needs register
- Development and implementation of disaster management and contingency plan
- Identification and facilitate registration of municipal unregistered properties
- Revenue enhancement through adjudication of building plans and lease agreements

### **5.33 CHALLENGES FACING SPATIAL PLANNING**

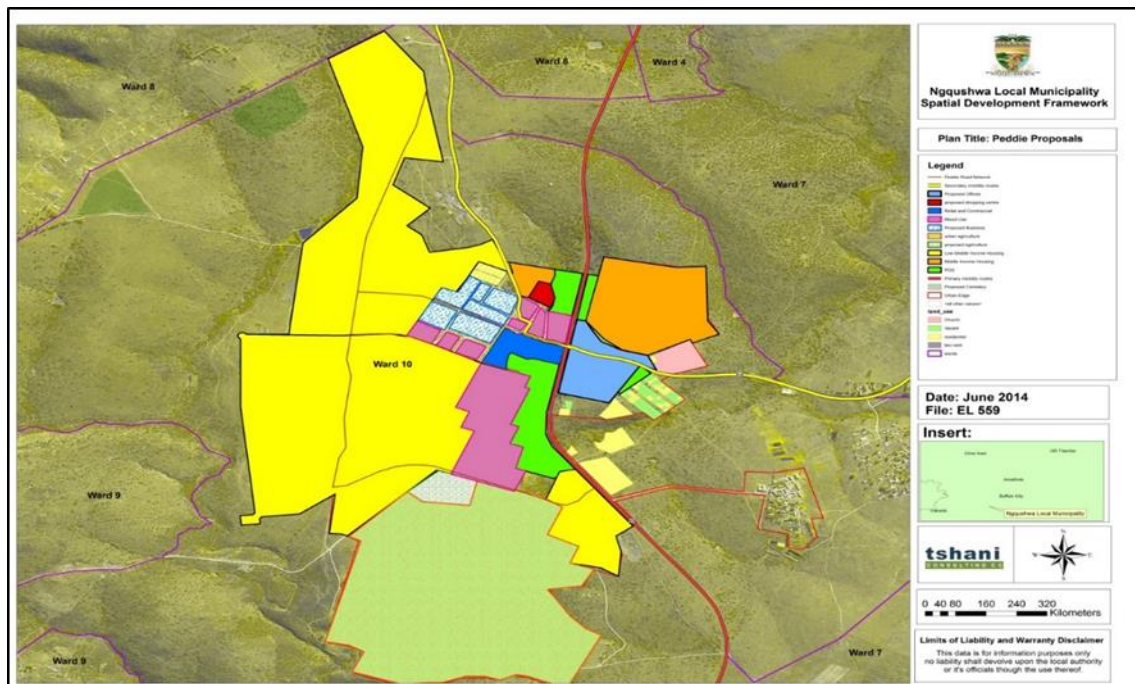
- Financial constraints from human settlements
- Vandalism
- Disappearance of beneficiaries
- Lack of integrated human settlement
- Land ownership
- Difficulties experienced in transporting building materials due to the poor state of rural road networks
- Resistance from traditional leaders
- Resistance from business owners and their tenants
- Vacant plots and dilapidated properties
- Unregistered properties

### **5.34 RESPONSE TO THE CHALLENGES**

- Source funds from Department of Human Settlements
- Housing interns

- Political intervention and Intergovernmental Relations Forum
- Source funds from Department of Cooperative Governance & Traditional Affairs , Department of Rural Development and Land Reform, Department of Roads and Public Works , Department of Economic Development and Environmental Affairs and Tourism
- Revitalisation of business, and ratepayers structure
- Engage with relevant Departments regarding the Unregistered properties

## PEDDIE AND HAMBURG MAPS







Project:  
**NGQUSHWA MASTERPLAN**

Drawing Title:  
**DEVELOPMENT CONCEPT  
FOR PEDDIE TOWN**

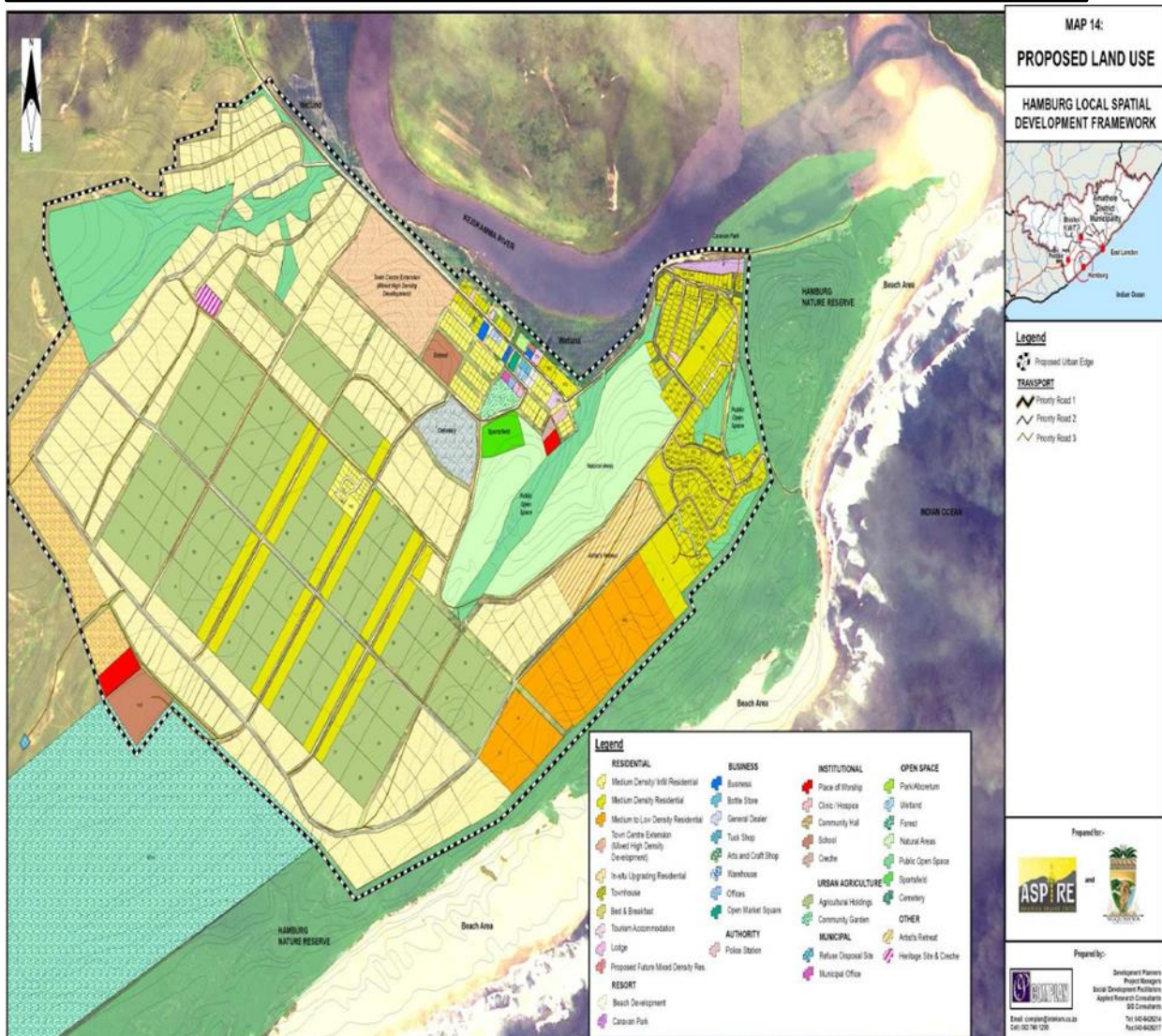
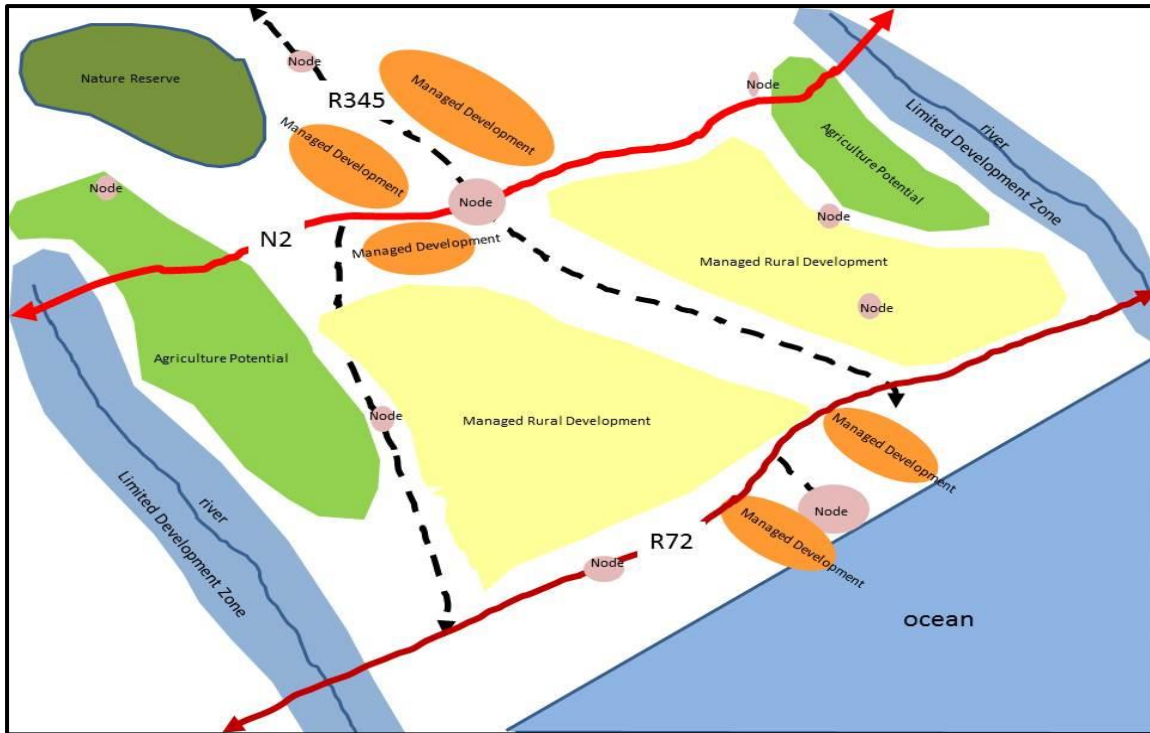
#### LEGEND

-  PRECINCT BOUNDARIES
-  EXISTING AND PROPOSED MUNICIPAL INTERVENTION SITES
-  EXISTING MUNICIPAL / PUBLIC FACILITIES
-  EXISTING SITES PROPOSED FOR MIXED USE INFILL
-  NEW SITES FOR MIXED USE INFILL
-  HISTORIC BUILDINGS TO BE RESTORED
-  EDGES PRIORITISED FOR ACTIVE FRONTAGE / REVITALISATION /
-  FOCUSED DEVELOPMENT AREAS
-  FACILITIES FOR INFORMAL TRADE
-  PUBLIC SPACE / PUBLIC SQUARES / GATEWAY
-  TRAFFIC CALMING & TREEPLANTING
-  STRUCTURED TREE-PLANTING
-  RECREATIONAL AMENITY / PARK
-  NATURAL GREEN AMENITY / RIVERINE AREA
-  PEDESTRIAN ROUTE / TRAIL
-  VEHICULAR ROUTES FOR UPGRADE

Prepared by:  
**NGQUSHWA MASTERPLAN  
CONSORTIUM**







KPA3 : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT WEIGHT : 20						
Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	KPI NO
Strives to ensure the creation of wealth using natural resources thereby promoting sustainable economic growth.	To create an enabling environment that promotes the development of the local economy and facilitate job creation	Development of Business Plans for LED initiatives	Implementation of LED strategy by 30 June 2019	Draft LED Strategy	Director : Community Services	LED 1
		Stakeholder engagement for Implementation of the BIGM Programme	Skills development of Ngqushwa Entrepreneur's as part of Building Inclusive Green Municipalities (BIGM) Programme by 30 June 2019	Not Applicable	Director : Community Services	LED 2
	To ensure effective, efficient and economic coastal management of the environment by 2022 and beyond.	Number of activities conducted for implementation of coastal management plan	Conduct 4 coastal management workshops by 30 June 2019	Coastal management plan	Director : Community Services	CS1
	To manage the rendering of efficient and sustainable traffic and law enforcement services to all road users and public	Number of Roadblocks and Workshops conducted	Eight (8) roadblocks to be conducted and one quarterly awareness workshops to be conducted by 30 June 2019	4 Roadblocks were conducted	Director : Community Services	CS2
To ensure that spatial planning and Land Use Management responds to Social, economic, environmental	To review and implement a wall to wall SPLUMA compliant Spatial Development Framework (SDF).	Draft reviewed Municipal Spatial Development Framework	Reviewed and approved 5 year Municipal SDF by 31 December 2018	Approved 5 year Municipal SDF	Director : Community Services	SP1

KPA3 : LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT WEIGHT : 20						
Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	KPI NO
and cultural needs to promote sustainable livelihood in accordance with SPLUMA principles and the NDP.	To create community awareness of planning and building policies and legislation.	Number of awareness campaigns conducted	Conducting 2 awareness campaigns on Planning and Building by-laws by 30 June 2019	One awareness campaign conducted in 2016/17	Director : Community Services	SP2
	To ensure effective implementation and decision making in line with SPLUMA principles and processes.	Draft municipal wall to wall Land use scheme regulations	Approved municipal wall to wall Land Use Scheme Regulations by 31 December 2018	Not Applicable	Director : Community Services	SP3
	To improve asset register (immovable property); revenue generation and compliance with zoning regulations.	Draft Land Audit Survey	Approved Land Audit Survey by 31 December 2018	ADM Land Audit Survey	Director : Community Services	SP4
	To review and implement a Housing Sector Plan (HSP) to facilitate planning and development of Human Settlements	Draft reviewed and Adopted Housing Sector Plan	Reviewed and approved 5 year Housing Sector Plan by 30 June 2019	2017/18 Housing Sector Plan	Director : Community Services	SP5



# CHAPTER 6





## CHAPTER 6

### KPA 4: FINANCIAL VIABILITY AND MANAGEMENT

#### 6.1 INTRODUCTION

The municipality aims to fully comply with prevailing municipal financial legislation to ensure sound financial management and governance to achieve a clean administration. This will be achieved by aligning the service delivery performance processes (Budget and IDP) to the organisational structure. It is important that the financial affairs of the municipality are managed in an efficient and effective manner in order to attain a sound financial position towards sustainable service delivery.

The Budget and Treasury Department is managed by the Director Financial Services, who is also the Chief Financial Officer. The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure sustainability for Ngqushwa Local Municipality. The financial plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

It is important to note that this multi-year financial plan will cover key focus areas over the next five years and even longer. However, due to the fact that budgets in terms of the National Treasury's Municipal Budget and Reporting Regulations only covers a planning period of the next financial year and two outer financial years thereafter; budget information supplied in this plan 3 financial years. Ngqushwa Local Municipality will continue on its path to sustain financial viability by applying the following core principles:

- Ensure transparency and accountability;
- Manage revenue, expenditure, assets and liabilities in a responsible manner;
- Adhere to all legislative requirements;
- Well thought-out budgetary and financial planning processes;
- Effective supply chain management;
- Applying full debt management and credit control measures; and
- Effective cash flow management.





- Lastly the municipality will apply the Batho Pele Principles in rendering an efficient, responsible and effective customer service to the community.

Annual Financial Statements will be compiled according to the prescribed accounting practices that is GRAP standards and all other relevant legislation. On our last evaluation, Ngqushwa Local Municipality received an Unqualified Audit Report in 2016/2017. Corrective steps for matters raised are dealt with immediately through development, implementation and monitoring of audit action plan which is risk based. The municipality has developed financial related policies and they are reviewed on annual basis.

#	Approved and funded posts	Incumbent
1.	Chief Financial Officer	Mr .V Makedama
2.	Manager :Expenditure	Mrs .T Songca
3.	Manager : Revenue	Mrs .N Jali
4.	Manager : Budget	Mrs .N Doloni
5.	Manager : Supply Chain Management	Vacant
6.	Chief Accountant	Mr T .Matthysen

Table: Institutional Arrangement

## 6.2 LEGISLATIVE FRAMEWORK APPLICABLE

- The Constitution of the Republic of South Africa of 103 of 1996
- Local Government Finance Management Act 56 of 2003
- Local Government Municipal System Act 32 of 2000
- Division of Revenue Act
- Preferential Procurement Policy Framework Act no 5 of 2000
- Municipal Supply Chain regulations
- National Treasury Regulations

### **Strategic Goal:**

- To be a financial viable municipality (self-sustainability)

## **6.3. FINANCIAL FRAMEWORK**

It must be noted that not all municipalities are the same and this should be kept in mind when assessing the financial health of and the setting of benchmarks for a municipality. A municipality can be categorised into a developed or a developing municipality. Ngqushwa can be categorised as a developing or growing municipality simply because it is the economic hub.

Developing municipalities will require significant additional resources and funding to conduct the growth that is expected of them. The demand for growth comes with risks that need to be managed. The priority from the financial perspective is the viability and sustainability of the municipality. This financial plan and related strategies will need to address a number of key areas in order to achieve this goal.

### **6.3 1 Financial Planning (municipal budgeting and reporting)**

Ngqushwa Local Municipality aims to fully comply with prevailing municipal financial legislation to ensure sound financial management and governance in our efforts towards a clean administration status. It is important that the financial affairs of Ngqushwa Local Municipality are managed in an efficient and effective manner to establish a sound financial position towards sustainable service delivery.

The department is therefore responsible for the function of budgetary and accounting and expenditure and revenue management and maintenance of the financial system. The multi-year financial plan for the IDP is prepared for five (5) years namely 2017/2018 – 2021/2022. Based on this plan, considering the particular requests from the community, Council then approves annually the municipal budget. The municipality has a plan to develop a 5 year financial plan in 2017/2018 in line with 5 year IDP.



## **6.4 THREE YEAR FINANCIAL PLANNING (MTREF)**

The medium term expenditure and revenue framework (MTREF) is based on the priorities, programmes and projects of the IDP and implemented according to the service delivery and budget implementation plan (SDBIP) to ensure delivery on the IDP key performance indicators. Our financial plan (municipal budget for 2017/2018) is prepared in line with municipal standard chart of accounts as per Treasury regulation.

Ngqushwa municipality has aligned all its plan with MSCOA regulation and it is ready to implement MSCOA by 1 July 2017 as per national target. The outcome of the required integrated development plan is the alignment of the planning process and resources to the strategic direction. The result is the compilation and approval of the annual budget. Based on the financial framework, the medium term financial plan was compiled based on the following key assumptions:

- National government grants for the years 2016/2017 to 2021/2022 as per the Division of Revenue Act (DORA) with a projected increase of 4% for the outer financial years.
- Inflation, however moderate, is slightly increasing and projected to increase by an average of 6% over the period ahead.
- The cost-of-living increases by mutual agreement between the South African Local Government Bargaining Council and the unions increase with 6% over the five (5) indicative years.
- Provision has been made for a property rates and refuse removal tariff increase in average of 6, 4% for 2017/2018 financial year.

### **6.4 1 IDP/Budget/ SDBIP Alignment**

Section 153 of the Constitution requires that 'a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community'. The MFMA, together with the Municipal Systems Act (2000), aims to facilitate compliance with this constitutional duty by ensuring that municipalities' priorities, plans, budgets, implementation actions and reports are properly aligned. Figure 4.10



shows the main components of the financial management and accountability cycle and how they ought to be aligned:

- Integrated development plan (IDP): This sets out the municipality's goals and development plans, which need to be aligned with the municipality's available resources. Council adopts the IDP and undertakes an annual review and assessment of performance based on the annual report.
- Budget: The three-year budget sets out the revenue raising and expenditure plan of the municipality for approval by Council. The allocation of funds needs to be aligned with the priorities in the IDP.
- Service delivery and budget implementation plan (SDBIP): The SDBIP sets out monthly or quarterly service delivery and financial targets aligned with the annual targets set in the IDP and budget. As the municipality's 'implementation plan', it lays the basis for the performance agreements of the municipal manager and senior management.
- In-year reports: The administration reports to Council on the implementation of the budget and SDBIP through monthly, quarterly and mid-year reports. Council uses these reports to monitor both the financial and service delivery performance of the municipality's implementation actions.
- Annual financial statements: These report on the implementation of the budget, and reflect the financial position of the municipality. They are submitted to the Auditor-General, who issues an audit report indicating the reliance Council can place on the statements in exercising oversight.
- Annual report: It is the primary instrument of accountability, in which the mayor and municipal manager report on implementation performance in relation to the budget and the SDBIP, and the progress being made in realizing the IDP priorities.
- Oversight report: Council produces an oversight report based on outcomes highlighted in the annual report and actual performance.

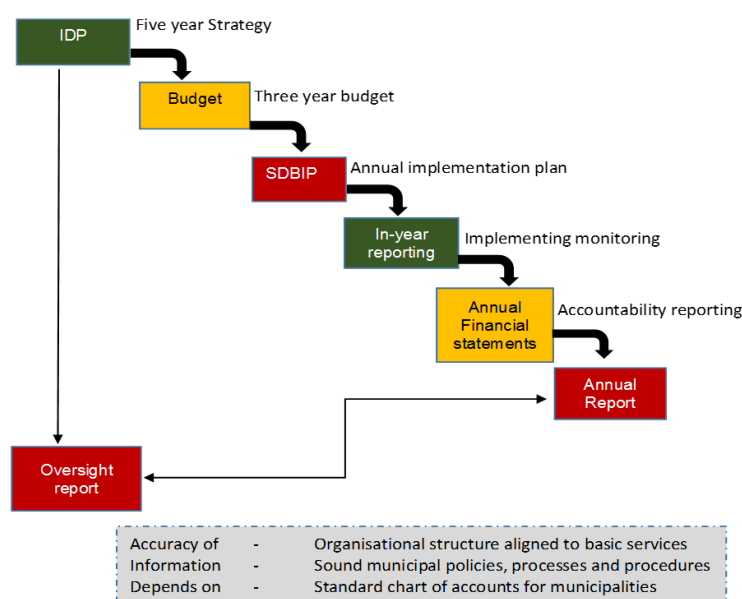


Figure: Municipal financial management and accountability cycle.

Source: National Treasury

The above figure also highlights how the level of accuracy of the information set out in each of the accountability documents is dependent on a municipality having a properly aligned organizational structure, and sound policies, processes and procedures (including performance management), and implementing a standard chart of accounts.

Reforming municipal financial management is therefore not an event, but a process. The introduction of the MFMA in 2003 laid the foundation for this. Since then, regulations dealing with supply chain management, public private partnerships, the minimum competency requirements of municipal finance officials and asset transfers have been put in place. Each reform aims to build on the foundation laid by previous initiatives, taking into account the time needed for municipal systems and practices to change. Strengthening municipal budgeting and reporting practices. Key initiatives have been the introduction of the Municipal Budget and Reporting Regulations in 2009, the enforcement of in-year financial reporting processes and firmer management of conditional grants in accordance with the annual Division of Revenue Act. These reforms have been supported by strengthening National Treasury's local government database and by publishing an increasing range of local government financial information on National Treasury's website.



Future reform initiatives National Treasury is currently working on include:

- introducing a standard chart of accounts for municipalities to ensure financial transactions are captured consistently by municipalities, and so improve the quality of financial reporting
  - strengthening revenue and cash management policies, processes and procedures, with a particular emphasis on tariff setting
  - ensuring the better alignment of plans, budgets and reporting by paying attention to the structure and content of SDBIPs and annual reports, and aligning the format of annual financial statements to report against budgets
  - strengthening non-financial reporting, to facilitate evaluations of 'value for money'
- Finalizing of the regulations for financial misconduct to facilitate the enforcement of the provisions dealing with financial conduct in chapter 15 of the MFMA

## **6.5 FIVE YEAR FINANCIAL PLANNING**

The Municipality is in a process of developing 5 year plan to be in line with the IDP for 5 years. His Worship the Mayor and Executive Committee are expected to provide political leadership, by proposing policies, guiding the development of budgets and performance targets, and overseeing their implementation by monitoring performance through in-year reports. In executing their duties, they may not use their position, privileges or confidential information for private gain or to improperly benefit another person. The municipal manager holds the primary legal accountability for financial management in terms of the MFMA and, together with other senior managers, is responsible for implementation and outputs. They have a duty to act with fidelity, honesty and integrity, and in the best interests of the municipality at all times. Non-executive Councillors, as elected representatives of the community, debate and approve the proposed policies and budgets and also oversee the performance of the municipality. They hold both His Worship the mayor or committee and the officials accountable for performance on the basis of quarterly and annual reports.

The second mechanism involves developing a performance orientation. The legal framework introduces requirements and processes for establishing service delivery priorities and plans. The aim is to ensure alignment between the plans, budgets,



implementation actions and reporting to ensure proper management accountability for the achievement of service delivery targets.

The third mechanism involves strengthening reporting and disclosure requirements. High quality and timely management information allows management to be proactive in identifying and solving problems as they arise. It also strengthens the separation of roles and supports a performance orientation in local government. In the preparing of Financial Statement, the municipality developed a detailed process plan which serves as a guided and a monitoring tool. The municipality prepares GRAP compliant Financial Statements on annual basis and they are submitted to the office of Auditor General for auditing purposes. An Audit File is created to ensure that all the documentation is readily available for the support of Financial Statements. The municipality has a developed an Audit Action Plan to address issues raised by Auditor General.

The following recurring issues were identify by Auditor General:

Finding	In this a recurring finding?	Was this a basis for qualification in 2015/16	Was this a basis for qualification in 2014/15
Incorrect Capitalisation of Cost for Internal Roads	Yes	No	Yes
VAT receivable: Supporting invoices could not be provided by the auditee	Yes	No	Yes
Trade Payables: Trade payables balances could not be verified (Salary suspense Accounts)	Yes	No	Yes
Provision - Accuracy of calculations (Provision for long service awards)	Yes	No	No
Repairs and Maintenance: Expenditure incorrectly classified as Repairs/maintenance	Yes	No	Yes
Cash Flow Statement calculated incorrectly	Yes	No	Yes



## 6.6 BUDGET RELATED POLICIES

The annual budget is the central financial planning document, directed by the IDP that embodies all revenue and expenditure decisions. It establishes the level of services to be provided by each department. The budget will be subject to monthly control and be reported to Council with recommendations of actions to be taken to achieve the budget goals. The budget will be subject to a mid-term review, which will result in a Revised Budget. These principles are embedded in the **Budget Policy**.

The **Budget Virement Policy** allows the Municipal Manager and his administration to transfer funds from one vote to another vote within policy directives to improve effective service delivery.

Adequate maintenance and replacement of the municipality's assets will be provided for in the annual budget. It will be informed by **Council's Asset Management Policy**.

The budget shall balance recurring operating expenditure to recurring operating revenues. The budget will have revenue plans based on realistically expected revenue to be collected and expenditure figures. Plans will be included to achieve maximum revenue collection percentages.

### 6.6 1 Revenue Policies

The municipality will estimate annual revenue targets through a conservative, objective and analytical process based on realistically expected revenue to be collected. The municipality will consider market rates and charges levied by other public and private organisations for similar services in establishing rates, fees and charges. Ngqushwa will set fees and user charges that fully supports the total direct and indirect cost of operations. Tariffs will be set to reflect the developmental and social policies of Council.

These principles have been embedded in a **Tariff Policy** that has been developed. The Municipality is implementing and maintain a new valuation system based on market values of all properties within its boundaries as well as periodically review the cost of activities supported by user fees to determine the impact of inflation and other costs



increases. Fees will be adjusted where appropriate to reflect these increases. These principles and the raising of property rates is contained in the **Property Rates Policy**.

#### **6.6.2 Debt Management and Credit Control Policies and Procedures**

Ngqushwa will follow an aggressive policy of collecting revenues from those who can afford to pay for their services. For this purpose, an **Indigent Policy** is developed and the **Credit Control and Debt Collection Policy** is in place. Currently households owe 80% of all outstanding debt and it is highly unlikely that it will be recovered from them. Therefore, a **Writing-Off of Irrecoverable Debt Policy** is developed with incentives to reduce the outstanding debt with the aim to get the households and other consumers out of their spiral debt. The municipality has developed and adopted a Three Year Financial Recovery Plan.

#### **6.6.3 Supply Chain Management**

The **Supply Chain Management Policy** will ensure that goods and services are procured compliant with legislation requirements in a fair, equitable, transparent, competitive and cost effective manner. The Supply Chain Management policy seeks to empower local suppliers in order to benefit the Small Medium Enterprises in our Jurisdiction through various initiatives such as compulsory local supplier subcontracting on various projects up to a maximum of 30% of the total project.

Contract management resides with the Supply Chain Management unit to ensure that contracts awarded to service providers are managed and monitored appropriately as is imbedded in the **Supply Chain Management Policy** and necessary corrective steps are taken for sub-standard performance.

#### **6.6.4 Investment Policies**

In terms of Section 13(2) of MFMA each municipality must establish an appropriate and effective cash management and investment policy. Investments of the municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the municipality to meet



daily cash flow demands and conform to all state and local requirements governing the investment of public funds. The preservation of capital is the foremost objective of the investment program. Municipality will continue the current cash management and investment practices, which are designed to emphasise safety of capital, sufficient liquidity to obligations and the highest possible returns. These principles are embedded in the **Cash Management and Investment Policy** of Council.

#### **6.6.5 Asset Management**

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant and Equipment (PPE), which are immovable and movable assets of the municipality, and, computer software which are intangible assets. These principles and policy statements is embedded in the Asset Management Policy of Council. The municipality has prepared a GRAP compliant asset register that is audited annually.

#### **6.6.6 Accounting Policies**

The principles on which the municipality operate and with regard to the presentation, treatment and disclosure of the financial information forms part of the Accounting Policy and compiled on the annual financial statements.

### **6.7 REVENUE MANAGEMENT**

#### **Strategic Objective:**

- Implementing sound revenue and debt management practices through revenue maximization.

Our revenue management deals with it is important that anticipated revenue levels are realistic for each revenue source and consistent with expenditure and collection experience. Municipal budgets must be funded and credible. The needs of the communities have to be met within the financial capacity and resource constraints of the municipality to ensure long term sustainability

Tariff setting plays a major role in ensuring certain levels of revenue according to affordability and to accommodate the consideration of basic services in the IDP strategic plan. The affordability of tariffs is under pressure due to increased cost and the increasing demand for bulk infrastructure and renewal of ageing infrastructure as Ngqushwa Local Municipality expands. Appropriate ways to restructure tariffs must be explored to encourage more efficient use of utility services and to generate the resources required to fund maintenance, renewal and expansion of infrastructure to provide services. Increases in tariffs must be closely linked to the National Treasury cost-of-living guidelines and reflect an appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality .

Refuse removal tariffs are mainly affected by high labor costs, petrol price increases and vehicle costs which are in many cases beyond Ngqushwa Local municipality 's control. In addition new ways need to be explored for alternative methods to manage the landfill site such as the revival of the recycling process and measures to prevent dumping, for example, garden refuse and removal.

Revenue enhancement and maintaining of existing revenue sources are essential for sustainable service delivery. Municipal budgets must be appropriately funded to ensure a financial going concern which is capable of providing and extending service delivery. It is essential that Ngqushwa Local municipality has an adequate source of revenue from its own operations and government grants to carry out our functions. The following actions are considered:

- To seek alternative sources of own revenue to increase funding for capital projects.
- Expand revenue base through the implementation of a new valuation roll.
- The ability of the community to pay for services.
- Identification and pursuance of government grants.
- Tightening credit control measures and increase debt collection targets.
- Improve customer relations and promote a culture of payment.



- Realistic revenue estimates. Going back to basics to ensure MTREF are appropriately funded.
- The impact of inflation, the municipal cost index and other cost increases.
- Create an environment which enhances growth, development and service delivery.

### **6.7.1 Customer Billing**

A new valuation roll will be implemented from 1 July 2017 and all newly rated properties will be phased out. Increased revenue from newly developed properties should expand and relieve some of the pressure on the municipality's revenue base. The municipality conducts Supplementary Valuation on an annual basis to address gaps in the general valuation roll.

Citizens are currently only billed on monthly and annual basis for services they consume, and the City's CSS results reflect positively on the accuracy and correctness of billing. However, such accuracy and correctness of billing remain dependent on the input uploaded by the utility and service departments. Internal billing controls are in place to identify material variances. Invoices are consolidated, displaying itemised and clearly indicated charges.

Finding out where our finances are going often starts by analysing where we've been. The first step in assessing the financial condition of the municipality is to begin gathering information that is correlated to these environmental and organisational factors. Some of this information should be available using our own accounting and budgeting systems

- Population trends
- Median household income levels
- Unemployment rates
- Property full value trends
- Levels of indigent households





The municipality is not a water essential authority and electricity where it can detect illegal water and electricity connection. Currently Amathole District Municipality is responsible for Water Services in Ngqushwa area. The municipality has appointed a Candidate Valuer to assess properties in the Ngqushwa Area. The municipality has developed a project plan for the implementation of Section 81 of Municipal Property Rates of 29 of 2014 as amended (MPRA). The municipality property rates by laws has been published and gazetted. The municipality has an updated supplementary valuation roll that is reviewed on annual basis and published in the municipal website.

### **6.7.2 Debt Collection**

The continuous strict implementation of the credit control policy should result that Ngqushwa Local Municipality could maintain an exceptional payment rate.

It is however envisaged that with on-going economic pressures and increasing rate in unemployment the payment rate might become under pressure. Therefore special attention must be paid on managing all revenue and cash streams especially debtors as well as the creation of new revenue streams. The debtor's turnover rate for rates and services in 2016/17 was at 30 million.

### **6.7.3 Free Basic Services**

The municipality is offering free basic services to the indigent people within Ngqushwa area. Free Basic Service Coordinator is appointed to execute Free Basic Services. The Free Basic Services consist of free electricity and refuse collection. An indigent register is in place to register people that are declared as indigent. The municipality has established an Indigent steering committee that is functional to monitor the implementation of Free Basic Services of the municipality. A budget of 2, 5 million was allocated for 2017/18 Financial year. The municipality has spent 2 005 026, 10 in Prepaid Electricity and 2 451 097, 90 for Refuse Removal in 2016/17 and the current expenditure in 2017/18 financial year is at 1 932 989, 98 for Prepaid Electricity and 699 782, 16 for Refuse Removal.

## 6.8 EXPENDITURE MANAGEMENT

### Strategic Objective:

- Ensure sound expenditure management through development and review of internal controls to strengthen the control environment and achieve clean administration

The municipality has sound and effective internal controls which are implemented on daily basis. It is essential to ensure sound Expenditure through development and reviewing of internal controls for best control environment to achieve improved audit outcomes. Individual line managers are responsible to ensure that compliance with all legislation and regulations are compiled within the process of conducting the affairs of the municipality. The requirements of such legislation and regulations should be reflected in municipal policies which themselves need to be reviewed time and time again to ensure continued relevance of such policies in line with any relevant changes and amendments. The municipality does not have any loans but in does uses overdrafts. The municipality ensures that creditors are paid within 30 days.

		2014/15	2015/16	2016/17
Creditors turnover rate	Total purchases/ Accounts Payable	30 638 770 / 35 289 551	41 846 126/26 200 506	45 063 285.07/ 28 044 736.35
	Rate	0.87	1.60	1.61
Unspent Grant %	Rate	0%	0%	28% as at 30 April 2017
Conditional grant usage	Rate	100%	100%	72% as at 30 April 2017
Employee costs as % of operational budget	Employee + Council costs/ Expenditure budget	53 137 326/ 101 581 247	55 020 132/ 128 243 000	60 847 630.49/160 681 913
	Rate	52.3%	42.9%	37.9%
Repairs and Maintenance on total budget	Repairs and Maintenance/ Expenditure budget	1 325 290/ 101 581 247	3 811 007/ 128 243 000	6873147.64/160681913
	Rate	1.3%	3.0%	4.3%

Table: Expenditure Ratios

## **6.9 SUPPLY CHAIN MANAGEMENT**

### **Strategic Objective:**

- Ensuring sound Supply Chain Management through development and reviewing of internal controls.

The procurement function is centralized in the Supply Chain Management Office to ensure value for money and transparency in the procurement of all goods and services required to support all functions of the municipality. The Office ensures that quality goods and services are acquired in a timely manner while also supporting the objectives of the municipality's Local Economic Development Strategy. Procurement in the public space is highly regulated and the office strives to ensure that every transaction entered into is compliant to all relevant legislation and regulations. The municipality has a fully function Supply Chain Management Unit in place.

**The municipal has established the following functioning Supply Chain Management Bid Committees:**

- Specification Committee
- Evaluation Committee
- Adjudication Committee

## **6.10 BUDGETING AND REPORTING**

### **Strategic Objective:**

- Ensuring sound financial planning and reporting through budget management best practices and interdepartmental coordination.

Section 153 of the Constitution requires that 'a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community'. The MFMA, together with the Municipal Systems Act (2000), aims to



facilitate compliance with this constitutional duty by ensuring that municipalities' priorities, plans, budgets, implementation actions and reports are properly aligned.

The Municipal Budget and Reporting Regulations came into effect on 1 July 2009. Their primary purpose is to regulate the format and content of annual budgets, adjustment budgets and in-year reports to promote greater transparency and facilitate the alignment of policy priorities, plans, budgets and reports.

Financial management strategies are important to guide Ngqushwa Local Municipality to maximize the available financial resources to ensure long-term financial viability through the following strategies that are utilized in the development of a five-year financial plan covering the lifespan of this Integrated Development Plan:

- Well, thought-out budgetary and financial planning processes in line with budget and reporting regulation.
- Effective cash flow management.
- Ensure compliance with prescribed accounting standards and adherence to all legislation requirements.
- Prepare annual financial statements according to accounting framework and review performance and achievements for past financial year.
- Ensure 100% spending of government conditional grants to prevent withholding of equitable share.
- Rolling out the Municipal Standard chart of accounts.
- Direct available financial resources towards meeting the projects as identified in the IDP.

In line with National Treasury operational programs, the municipality will roll out the Municipal Standard Chart of Accounts (mSCOA) for budgeting, operational and reporting purposes with effect from the 2018/19 financial year. The municipality does not have a separate bank account for Conditional Grants.



## **6.11. FINANCIAL CONDITION ANALYSES FOR NGQUSHWA LOCAL MUNICIPALITY TOWARDS 2022.**

Sound fiscal health is imperative to ensuring the effective operation of Ngqushwa Local Municipality. For this reason, we should periodically assess the financial condition of Ngqushwa Local Municipality. Performing a regular, timely financial condition analysis can provide Ngqushwa Local Municipality with valuable information on the current and future state of our finances. Regular analysis can highlight potential fiscal problems and provide information necessary for timely corrective action. By taking action to address weaknesses and strengthen fiscal health, we can better ensure that resources are available to fund the level and quality of services expected by our commitments.

Financial condition may be defined as the ability of a local government to balance recurring expenditure needs with recurring revenue sources while providing services on a continuing basis. A community in good financial condition generally maintains adequate service levels during fiscal downturns, identifies and adjusts to long-term economic or demographic changes, and develops resources to meet future needs. Conversely, a municipality in fiscal stress usually struggles to balance its budget, suffers through disruptive service level declines, has a difficult time adjusting to socioeconomic forces, and has limited resources to finance future needs. Maintaining or restoring sound financial condition, therefore, requires Ngqushwa Local Municipality officials to adjust to long-term socioeconomic and demographic changes, respond to the economic impact of the business cycle, and plan for the future.

There is no single measure that fully captures the financial condition of a local government. Rather, local governments need to take a comprehensive approach that focuses on both external and internal fiscal indicators that are easy to measure, evaluate and understand. Ideally, we want a financial indicator system that is comprehensive enough to match the complexity of Ngqushwa Local Municipality, but that is operationally manageable and produces regular, reliable reports for decision making.

Financial condition is also arguably affected by a combination of environmental, fiscal and organisational factors, including decisions and actions of the Councillors. For example, a steady population decline can lead to an erosion of the property tax base (a

negative environmental trend). However, the ways in which Ngqushwa Local Municipality respond to this decline (such as cutting services, increasing tax rates, or engaging in economic development) also affect the financial condition of Ngqushwa Local Municipality .

Environmental factors, therefore, include measures of the Ngqushwa community needs and resources such as population, property value and poverty, and economic factors such as inflation, personal income and employment. These environmental indicators often provide the best “early warning” of future fiscal stress. Research has concluded that there is a strong correlation between environmental factors and financial condition and that fiscal stress is often apparent in these measures before it is evident in the financial data.

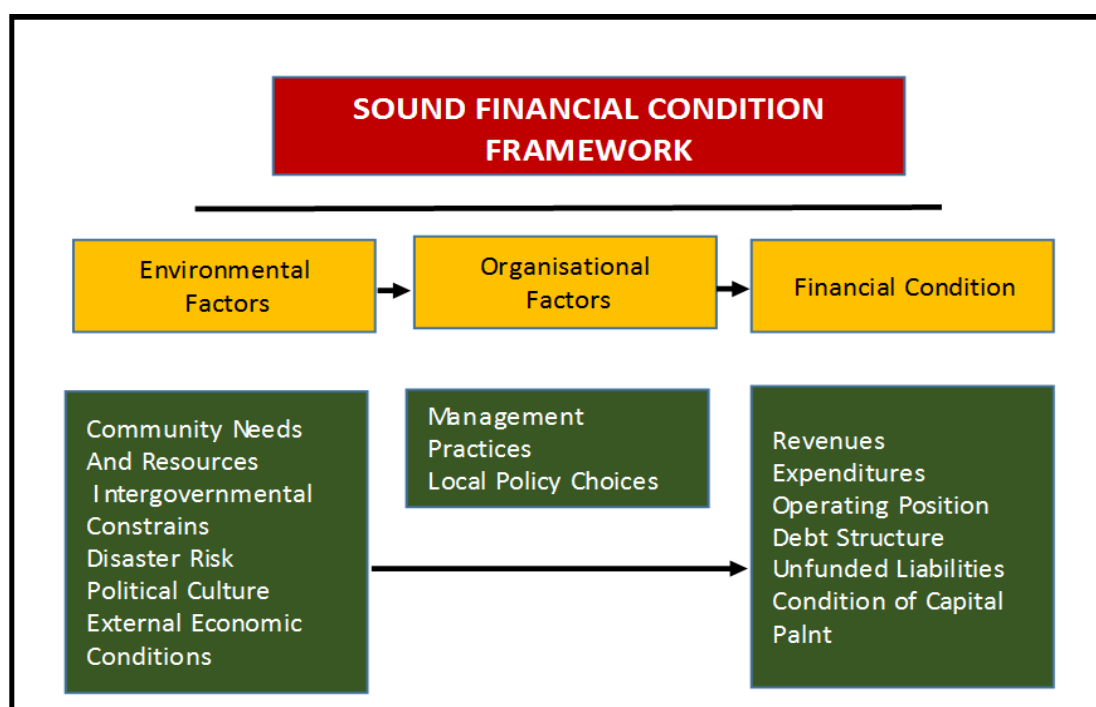


Figure : Sound Financial Condition Framework. Source: Adapted form Evaluating Financial Condition: Handbook for Local Governments, 2003

Organisational factors include management practices and legislative policies that guide fiscal decision making, often in response to environmental or political factors. While sound budgeting and management practices can help protect the financial condition of Ngqushwa Local Municipality , these factors cannot always avert fiscal stress — especially when our negative environmental trends are severe. However, on the other





side of the coin, poor budgeting and management practices can create fiscal problems despite a sound economic environment.

### **6.11.1 Assessing Ngqushwa Local Municipality Financial Condition (going concern)**

Finding out where our finances are going often starts by analysing where we've been. The first step in assessing the financial condition of our municipality is to begin gathering information that is correlated to these environmental and organisational factors. Some of this information should be available using our own accounting and budgeting systems, but other data will have to be assembled from third-party sources. This data should be examined over a reasonable time horizon, typically 5-10 years. Examples of environmental factors that Ngqushwa Local Municipality may want to examine include:

- Population trends
- Median household income levels
- Unemployment rates
- Property full value trends
- Educational attainment, such as population with at least high school education equivalency
- Age characteristics, such as population over 65
- Poverty indicators, such as numbers of single heads of households or school lunch recipients as a percentage of your community's population.

Financial trends that may be useful to examine include the following:

- Recurring major revenues (VAT, property tax, Government aid)
- Recurring major expenditures by object (salaries, fringes, contractual)
- Debt outstanding and debt service levels
- Percentage of tax and debt limit exhausted.

Ngqushwa Local Municipality factors that we may also want to consider include:

- Budget to actual financial variances for major budget categories
- Timeliness and accuracy of financial transactions



- Quality and timeliness of financial reporting (audits).

One way to help tell the fiscal story for our community in Ngqushwa is to present financial trends graphically, as in the figure below which depicts a hypothetical local government's projected budget gap. The old adage about a picture being worth a thousand words is certainly true when trying to explain complex financial data for us as to decision makers. A series of simple charts or graphs can help summarise our financial condition and help focus the discussion on the larger trends and issues towards 2022.

#### **6.12 THE BUDGET AND TREASURY OFFICE INTENDS TO THE FOLLOWING PROJECTS FOR THE NEXT 4 YEARS:**

- Implementing sound revenue and debt management practices through revenue maximization
- Implementing sound revenue and debt management practices through revenue maximization
- Sound financial planning and reporting through budget management best practices and interdepartmental coordination

#### **6.13 CHALLENGES FACING BUDGET AND TREASURY OFFICE**

- Low revenue base

#### **6.14 RESPONDS TO THE CHALLENGES**

- Development of 3 Year Financial Recovery Plan
- Implementation of 5 Year Financial Plan



**NGQUSHWA LOCAL MUNICIPALITY DRAFT BUDGET FOR 2018/2019 FINANCIAL YEAR**

				1.065	1.065	1.065	-0
				1.053	1.054	1.055	
<b><u>MSCOA BUDGET FOR 2018/2019 FINANCIAL YEAR</u></b>							
<b><u>Account</u></b>	Description		<b><u>Account Type</u></b>	<b>BUDGET 2018/20 19</b>	<b>BUDGET 2019/20 20</b>	<b>BUDGET 2020/20 21</b>	
<b>Municipal Standard CI : COM:AGRI</b>							
O0001/IE00036/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	492,510	524,523	558,617	
O0001/IE00040/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	28,549	30,405	32,382	
O0001/IE00044/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	79,225	84,374	89,859	
O0001/IE00045/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	4,753	5,062	5,391	
O0001/IE00121/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	



O0001/IE00595/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,435	5,789	6,165	
O0001/IE01526/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	39,610	42,185	44,927	
O0001/IE01530/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	1,108	1,180	1,256	
O0001/IE01533/F0041/X013/R0841/001/COM:AGRI	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
				<b>740,864</b>	<b>789,020</b>	<b>840,307</b>	
O1217-1/IE00739/F0042/X013/R0842/001/COM:AGRI	EC126_AGRIC1_Formalisation of grain production for creation of sustainable markets (Mechanization program)BIGM	Zero Rated	Inventory Consumed [Expenditure]	60,000	63,180	66,529	
O1217-3/IE00534/F2495/X013/R0842/001/COM:AGRI	EC126_AGRIC3_Agri processing	Materials and Supplies	Inventory Consumed [Expenditure]	77,519	81,628	85,954	
O1217-4/IE00534/F0046/X013/R0842/001/COM:AGRI	EC126_AGRIC4_Livestock Improvement	Materials and Supplies	Inventory Consumed [Expenditure]	0	0	0	
				<b>137,519</b>	<b>144,808</b>	<b>152,483</b>	
<b>Totals for Municipal Standard CI : COM:AGRI</b>				<b>878,384</b>	<b>933,828</b>	<b>992,789</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : COM:LED</b>							
O0001/IE00036/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	820,910	874,269	931,096	



O0001/IE00040/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	199	212	226	
O0001/IE00043/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	37,114	39,527	42,096	
O0001/IE00044/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	126,402	134,618	143,368	
O0001/IE00045/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	7,925	8,440	8,989	
O0001/IE00121/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE00595/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	10,019	10,670	11,364	
O0001/IE01521/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01526/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	66,041	70,334	74,906	
O0001/IE01530/F0041/X096/R0841/001/COM:LED	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
				<b>1,158,184</b>	<b>1,233,466</b>	<b>1,313,641</b>	
O1232-2/IE00061/F2495/X096/R0842/001/COM:LED	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O0001/IE00677/F2495/X096/R0842/001/COM:LED	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	4,917	5,237	5,577	
O1249-1/IE00677/F2495/X096/R0842/001/COM:LED	EC126_LED3_SMME Development	Catering Services	Contracted Services [Expenditure]	96,899	102,035	107,443	



O1249-1/IE00843/F2495/X096/R0842/001/COM:LED	EC126_LED3_SMME Development	Organisational	Contracted Services [Expenditure]	0	0	0	
O1302-1/IE00751/F2495/X096/R0842/001/COM:LED	EC126_LED1_Business Plans	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O1302-1/IE00843/F0042/X096/R0842/001/COM:LED	EC126_LED1_Business Plans	Organisational	Contracted Services [Expenditure]	0	0	0	
O1303-1/IE00751/F2495/X096/R0842/001/COM:LED	EC126_LED2_Feasibility Studies	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O1303-1/IE00843/F0042/X096/R0842/001/COM:LED	EC126_LED2_Feasibility Studies	Organisational	Contracted Services [Expenditure]	0	0	0	
O1305-1/IE00019/F0041/X096/R08412/001/COM:LED	BIGM - CAPACITY BUILDING	Human Resource		38,760			
				<b>140,576</b>	<b>107,272</b>	<b>113,020</b>	
<b>Totals for Municipal Standard CI : COM:LED</b>				<b>1,298,760</b>	<b>1,340,738</b>	<b>1,426,661</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : COM:TOUR</b>							
O0001/IE00036/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	762,971	812,564	865,381	
O0001/IE00040/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	





O0001/IE00043/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	59,029	62,865	66,952	
O0001/IE00044/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	120,079	127,885	136,197	
O0001/IE00045/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	7,358	7,837	8,346	
O0001/IE00121/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE00595/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	0	0	0	
O0001/IE00595/F2496/X087/R0841/001/COM:TOUR	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,751	6,125	6,523	
O0001/IE00798/F0041/X021/R0842/001/COM:TOUR	Municipal Running Cost	Road Traffic and Other F	Operational Cost [Expenditure]	0	0	0	
O0001/IE01525/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Acting and Post Related	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01526/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	61,321	65,307	69,552	
O0001/IE01530/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01533/F0041/X087/R0841/001/COM:TOUR	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE06075/F2496/X087/R0841/001/COM:TOUR	Municipal Running Cost	Basic Salary	Employee Related Cost [Expenditure]	954,509	1,016,553	1,082,628	



O0001/IE06137/F2496/X087/R0841/001/COM:TOUR	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	105	112	120	
O0001/IE06262/F2496/X087/R0841/001/COM:TOUR	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,042	2,174	2,316	
O0001/IE06919/F2496/X087/R0841/001/COM:TOUR	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	176,460	187,930	200,145	
				<b>2,239,299</b>	<b>2,384,854</b>	<b>2,539,869</b>	
O1354-1/IE00060/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Accommodation	Operational Cost [Expenditure]	49,581	52,209	54,976	
O1354-1/IE00549/F0044/X093/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Achievements and Awards	Operational Cost [Expenditure]	0	0	0	
O1354-1/IE00626/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Artists and Performers	Contracted Services [Expenditure]	19,380	20,407	21,489	
O1354-1/IE00637/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Exhibit Installations	Contracted Services [Expenditure]	19,380	20,407	21,489	
O1354-1/IE00656/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Photographer	Contracted Services [Expenditure]	0	0	0	
O1354-1/IE00657/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Plants, Flowers and Other Decorations	Contracted Services [Expenditure]	3,876	4,081	4,298	
O1354-1/IE00667/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Stage and Sound Crew	Contracted Services [Expenditure]	19,380	20,407	21,489	



O1354-1/IE00677/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Catering Services	Contracted Services [Expenditure]	8,163	8,595	9,051	
O1354-1/IE00692/F0044/X087/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Personnel and Labour	Contracted Services [Expenditure]	7,752	8,163	8,595	
O1354-1/IE00754/F0044/X093/R0842/001/COM:TOUR	EC126_TOUR1_Hamburg Splash Festival	Gifts and Promotional Items	Operational Cost [Expenditure]	3,694	3,889	4,096	
O1354-2/IE00626/F0044/X087/R0842/001/COM:TOUR	Opening of Season	Artists and Performers	Contracted Services [Expenditure]	55,947	58,912	62,034	
O1354-2/IE00634/F0044/X087/R0842/001/COM:TOUR	Opening of Season	Electrical	Contracted Services [Expenditure]	70,887	74,644	78,601	
O1354-2/IE00667/F0044/X087/R0842/001/COM:TOUR	Opening of Season	Stage and Sound Crew	Contracted Services [Expenditure]	77,036	81,119	85,419	
O1354-3/IE00677/F0044/X087/R0842/001/COM:TOUR	Tourism & Heritage Month	Catering Services	Contracted Services [Expenditure]	15,217	16,024	16,873	
O1354-3/IE00692/F0044/X087/R0842/001/COM:TOUR	Tourism & Heritage Month	Personnel and Labour	Contracted Services [Expenditure]	0	0	0	
O1354-3/IE00754/F0044/X087/R0842/001/COM:TOUR	Tourism & Heritage Month	Gifts and Promotional Items	Operational Cost [Expenditure]	28,891	30,422	32,035	
				<b>379,184</b>	<b>399,281</b>	<b>420,443</b>	
<b>Totals for Municipal Standard CI : COM:TOUR</b>				<b>2,618,483</b>	<b>2,784,134</b>	<b>2,960,312</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							



Account	Description		Account Type				
<b>Municipal Standard CI : MMO:IDP</b>							
O0001/IE00036/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	779,828	830,517	884,501	
O0001/IE00040/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	199	212	226	
O0001/IE00043/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	22,098	23,535	25,065	
O0001/IE00044/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	48,150	51,280	54,613	
O0001/IE00045/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	7,492	7,979	8,498	
O0001/IE00121/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	71,044	75,662	80,580	
O0001/IE00126/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	195,962	208,700	222,265	
O0001/IE00595/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	9,581	10,203	10,867	
O0001/IE01521/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,615	8,110	
O0001/IE01526/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	62,434	66,492	70,814	
O0001/IE01530/F0041/X096/R0841/001/MMO:IDP	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	17,157	18,272	19,460	
				<b>1,221,096</b>	<b>1,300,467</b>	<b>1,384,998</b>	
O0018-1/IE00060/F2496/X096/R0842/001/MMO:IDP	EC126_PMS1_PMS Review	Accommodation	Operational Cost [Expenditure]	1,005	1,059	1,115	



O0018-1/IE00144/F2496/X096/R0842/001/M MO:IDP	EC126_IDP Review	Own Transport	Operational Cost [Expenditure]	145,011	152,696	160,789	
O0018-1/IE00677/F2496/X096/R0842/001/M MO:IDP	EC126_IDP1_Review	Catering Services	Contracted Services [Expenditure]	1,020	1,074	1,131	
O1343-1/IE00583/F2496/X096/R0842/001/M MO:IDP	EC126_IDP1_Project IDP and Annual Report	Printing, Publication s and Books	Operational Cost [Expenditure]	23,337	24,574	25,877	
O1343-1/IE00677/F2496/X096/R0842/001/M MO:IDP	EC126_IDP1_Project IDP and Annual Report	Catering Services	Contracted Services [Expenditure]	18,366	19,340	20,365	
O1343-1/IE00703/F2496/X096/R0842/001/M MO:IDP	EC126_IDP1_Project IDP and Annual Report	Transport Services	Contracted Services [Expenditure]	43,304	45,599	48,015	
O1343-1/IE00751/F2496/X096/R0842/001/M MO:IDP	EC126_IDP1_Project IDP and Annual Report	Corporate and Municipal Activities	Operational Cost [Expenditure]	4,651	4,898	5,157	
O1359-1/IE00583/F2496/X096/R0842/001/M MO:IDP	EC126_IDP2_Developme nt of Ward Based Profiles	Printing, Publication s and Books	Operational Cost [Expenditure]	0	0	0	
O1359-1/IE00677/F2496/X096/R0842/001/M MO:IDP	EC126_IDP2_Developme nt of Ward Based Profiles	Catering Services	Contracted Services [Expenditure]	0	0	0	
				<b>236,695</b>	<b>249,240</b>	<b>262,450</b>	
<b>Totals for Municipal Standard CI : MMO:IDP</b>				<b>1,457,791</b>	<b>1,549,707</b>	<b>1,647,447</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<u>Account</u>	Description		<u>Account Type</u>				
<b>Municipal Standard CI : COM:CEM</b>							



O0001/IE00036/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	601,813	640,931	682,591	
O0001/IE00040/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	229	244	259	
O0001/IE00043/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	13,902	14,806	15,768	
O0001/IE00044/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	105,679	112,548	119,864	
O0001/IE00045/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	5,871	6,253	6,659	
O0001/IE00121/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	14,409	15,345	16,343	
O0001/IE00595/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	2,402	2,558	2,724	
O0001/IE01526/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	48,925	52,106	55,492	
O0001/IE01530/F0041/X004/R0841/001/COM:CEM	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	2,288	2,436	2,595	
				<b>795,518</b>	<b>847,226</b>	<b>902,296</b>	
<b>NEW</b>	FENCING OF RURAL CEMETARIES			116,279			
O1232-2/IE00061/F2494/X004/R0842/001/COM:CEM	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
				<b>116,279</b>	<b>0</b>	<b>0</b>	
O3201-1/IE00649/F0039/X004/R0842/001/COM:CEM	EC126_Repairs and Maintenance	Maintenance of Buildings and Facilities	Contracted Services [Expenditure]	0	0	0	





				0	0	0	
<b>Totals for Municipal Standard CI : COM:CEM</b>				<b>911,797</b>	<b>847,226</b>	<b>902,296</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : COM:HOUS</b>							
O0001/IE00036/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,292,353	1,376,356	1,465,819	
O0001/IE00040/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	682	726	773	
O0001/IE00043/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	95,410	101,612	108,217	
O0001/IE00044/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	209,590	223,214	237,723	
O0001/IE00045/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	12,940	13,781	14,677	
O0001/IE00121/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE00595/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	12,436	13,245	14,106	
O0001/IE01521/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	9,801	10,438	11,117	
O0001/IE01526/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	81,721	87,033	92,690	



O0001/IE01530/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	36,602	38,981	41,515	
O0001/IE01533/F0041/X079/R0841/001/COM:HOUS	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
				<b>1,841,110</b>	<b>1,960,783</b>	<b>2,088,233</b>	
O1232-2/IE00144/F0042/X077/R0842/001/COM:HOUS	EC126_Workshops, Seminars and Subject Matter Training	Own Transport	Operational Cost [Expenditure]	0	0	0	
O1254-1/IE00632/F0042/X077/R0842/001/COM:HOUS	EC126_HOU1_Housing Sector Plan	Catering Services	Contracted Services [Expenditure]	19,380	20,407	21,489	
O1254-1/IE00672/F0930/X077/R0842/001/COM:HOUS	EC126_HOU1_Housing Sector Plan	Administrative and Support Staff	Contracted Services [Expenditure]	7,752	8,163	8,595	
O1254-2/IE00692/F0930/X077/R0842/001/COM:HOUS	EC126_HOU2_Housing Needs Register	Personnel and Labour	Contracted Services [Expenditure]	0	0	0	
O1254-3/IE00753/F0042/X077/R2145/001/COM:HOUS	EC126_HOU3_Registration of Properties	Customer	Operational Cost [Expenditure]	0	0	0	
O1254-3/IE00848/F0042/X077/R2145/001/COM:HOUS	EC126_HOU3_Registration of Properties	Valuer and Assessors	Contracted Services [Expenditure]	0	0	0	
O1254-4/IE00677/F0042/X077/R0842/001/COM:HOUS	EC126_HOU5_Disaster & Drought Task Team	Catering Services	Contracted Services [Expenditure]	980	1,031	1,086	
				<b>28,111</b>	<b>29,601</b>	<b>31,170</b>	
O1254-5/IE00534/F0044/X077/R0842/001/COM:HOUS	EC126_HOU6_Repairs & Maintenance of Municipal Buildings	Materials and Supplies	Inventory Consumed [Expenditure]	400,000	421,200	443,524	



O1254-5/IE00758/F0042/X077/R0842/001/COM:HOUS	EC126_HOU6_Repairs & Maintenance of Mun Buildings	Tenders	Operational Cost [Expenditure]	0	0	0	
				400,000	421,200	443,524	
<b>Totals for Municipal Standard CI : COM:HOUS</b>				<b>2,269,222</b>	<b>2,411,584</b>	<b>2,562,927</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : COM:PARK</b>							
O0001/IE00036/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	579,204	616,852	656,948	
O0001/IE00040/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	74,576	79,424	84,586	
O0001/IE00044/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	116,056	123,600	131,634	
O0001/IE00045/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	6,448	6,867	7,313	
O0001/IE00595/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	2,059	2,193	2,335	
O0001/IE01526/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	53,730	57,222	60,941	
O0001/IE01530/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	11,781	12,547	13,363	
O0001/IE01533/F0041/X123/R0841/001/COM:PARK	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	



				<b>843,953</b>	<b>898,810</b>	<b>957,233</b>	
<b>NEW</b>	REPAIRS & MAINT	MACHINERY		150,000			
C0002-1/IA03810/F0041/X047/R2137/001/COM:PARK	EC126_CAP Park 3_Parks gardes	Acquisitions	Biological Assets [Assets - Non-current Assets]	0	0	0	
C0006-1/IA06313/F0041/X047/R0842/001/COM:PARK	EC126_CAP Park 1_Equipment	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	0	0	0	
				<b>0</b>	<b>0</b>	<b>0</b>	
<b>Totals for Municipal Standard CI : COM:PARK</b>				<b>993,953</b>	<b>898,810</b>	<b>957,233</b>	
<b>NEW</b>	REVENUE	POUND FEES		<b>20,000</b>			
<b>Municipal Standard CI : COM:POND</b>							
O0001/IE00036/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	237,427	252,860	269,296	
O0001/IE00040/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	229	244	259	
O0001/IE00043/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	27,405	29,186	31,084	
O0001/IE00044/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	38,684	41,198	43,876	
O0001/IE00045/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,289	2,438	2,596	
O0001/IE00595/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	2,516	2,680	2,854	



O0001/IE00739/F0042/X114/R0842/001/COM:POND	Municipal Running Cost	Zero Rated	Inventory Consumed [Expenditure]	4,060	4,324	4,605	
O0001/IE01526/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	19,074	20,314	21,634	
O0001/IE01530/F0041/X114/R0841/001/COM:POND	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	4,575	4,873	5,189	
<b>Totals for Municipal Standard CI : COM:POND</b>				<b>336,259</b>	<b>358,116</b>	<b>381,393</b>	
<b>NEW</b>	FEED	FEED		13,566			
<b>NEW</b>	MEDICATION	MEDICATION		5,814			
				<b>19,380</b>			
				<b>355,639</b>			
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : COM:REFS</b>							
O0001/IE00036/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	5,032,682	5,359,807	5,708,194	
O0001/IE00040/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	299	318	339	
O0001/IE00043/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	163,620	174,255	185,582	
O0001/IE00044/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	908,077	967,102	1,029,964	
O0001/IE00045/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	50,449	53,728	57,220	
O0001/IE00121/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	17,157	18,272	19,460	



O0001/IE00126/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00595/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	10,180	10,842	11,547	
O0001/IE01526/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	420,406	447,733	476,835	
O0001/IE01530/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	102,943	109,634	116,760	
O0001/IE01533/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE03969/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Non Structured	Employee Related Cost [Expenditure]	57,191	60,908	64,867	
O0001/IE03970/F0041/X132/R0841/001/COM:REFS	Municipal Running Cost	Shift Additional Remuner	Employee Related Cost [Expenditure]	57,191	60,908	64,867	
				<b>6,820,194</b>	<b>7,263,507</b>	<b>7,735,635</b>	
O0001/IE00738/F0930/X132/R2137/001/COM:REFS	Municipal Running Cost	Standard Rated	Inventory Consumed [Expenditure]	55,000	57,915	60,984	
O0001/IE00738/F0930/X132/R2145/001/COM:REFS	Municipal Running Cost	Standard Rated	Inventory Consumed [Expenditure]	55,000	57,915	60,984	
O1273-1/IE00550/F0930/X132/R0842/001/COM:REFS	EC126_REF2_Coastal Management	Assets less than the Capitalisation Threshold	Operational Cost [Expenditure]	38,760	40,814	42,977	
O0001/IE00692/F0930/X132/R0842/001/COM:REFS	Municipal Running Cost	Personnel and Labour	Contracted Services [Expenditure]	122,442	128,931	135,765	
O1273-1/IE00649/F0042/X132/R2137/001/COM:REFS	EC126_REF2_Coastal Management	Maintenance of Buildings	Contracted Services [Expenditure]	77,519	81,628	85,954	





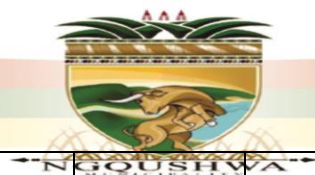
		and Facilities					
O1273-1/IE00700/F0930/X132/R2137/001/COM:REFS	EC126_REF2_Coastal Management	Swimming Supervision	Contracted Services [Expenditure]	103,951	109,460	115,262	
O1273-1/IE00851/F0930/X132/R0842/001/COM:REFS	EC126_REF2_Coastal Management	Ecological	Contracted Services [Expenditure]	0	0	0	
				<b>452,672</b>	<b>476,664</b>	<b>501,927</b>	
<b>Totals for Municipal Standard CI : COM:REFS</b>				<b>7,272,866</b>	<b>7,740,171</b>	<b>8,237,562</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	Description		<b>Account Type</b>				
<b>Municipal Standard CI : COM:SPAT</b>							
D0001/IR01429/F0047/X101/R0842/001/COM:SPAT	Default Transactions	Building Plan Approval	Sales of Goods and Rendering of Services [Revenue]	70,000	73,710	77,617	
				<b>70,000</b>	<b>73,710</b>	<b>77,617</b>	
O0001/IE00036/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,170,641	1,246,733	1,327,771	
O0001/IE00040/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	46,999	50,054	53,308	
O0001/IE00044/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	0	0	0	



O0001/IE00045/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	4,867	5,184	5,521	
O0001/IE00121/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	117,650	125,298	133,442	
O0001/IE00126/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	153,699	163,690	174,329	
O0001/IE00595/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	17,943	19,109	20,352	
O0001/IE01521/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01526/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	105,238	112,079	119,364	
O0001/IE01530/F0041/X101/R0841/001/COM:SPAT	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01530/F0041/X104/R0841/001/COM:SPAT	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
				<b>1,617,138</b>	<b>1,722,252</b>	<b>1,834,199</b>	
O0025-1/IE00855/F2496/X098/R0842/001/COM:SPAT	EC126_STP1_Planning and Survey	Land and Quantity Surveyors	Contracted Services [Expenditure]	25,000	26,325	27,720	
O0025-2/IE00001/F2495/X101/R0842/001/COM:SPAT	EC126_STP2_SDF Review	Town Planner	Contracted Services [Expenditure]	52,500	55,283	58,212	
O0025-3/IE00677/F2495/X101/R2136/001/COM:SPAT	EC126_STP3_Street Naming	Catering Services	Contracted Services [Expenditure]	0	0	0	
O0025-3/IE00677/F2495/X101/R2145/001/COM:SPAT	EC126_STP3_Street Naming	Catering Services	Contracted Services [Expenditure]	0	0	0	



O0025-3/IE00751/F2495/X101/R2136/001/COM:SPAT	EC126_STP3_Street Naming	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O0025-3/IE00751/F2495/X101/R2145/001/COM:SPAT	EC126_STP3_Street Naming	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O0025-4/IE00001/F2495/X101/R0842/001/COM:SPAT	EC126_STP4_Land Use Scheme	Town Planner	Contracted Services [Expenditure]	100,000	105,300	110,881	
O0025-5/IE00855/F0041/X101/R0842/001/COM:SPAT	Land Audit Survey	Town Planner	Contracted Services [Expenditure]	90,000	94,770	99,793	
O0025-4/IE00751/F2495/X101/R0842/001/COM:SPAT	EC126_STP4_Land Use Scheme	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
				<b>267,500</b>	<b>281,678</b>	<b>296,606</b>	
C0038-1/IA00132/F0041/X120/R0842/001/COM:SPAT	EC126_CAP STP 2_Street Signs - naming	Acquisition s	Property, Plant and Equipment [Assets - Non-curren	0	0	0	
	PLOTTER			15,000			
C0049-1/IA00172/F0041/X131/R0842/001/COM:SPAT	EC126_CAP STP 1_Relocation of land fill site	Acquisition s	Property, Plant and Equipment [Assets - Non-curren	0	0	0	
C0224-1/IA00032/F0041/X004/R0842/001/COM:SPAT	EC126_CAP STP 3_Establishment of cemetry Ethembeni	Acquisition s	Property, Plant and Equipment [Assets - Non-curren	0	0	0	
				<b>15,000</b>	<b>0</b>	<b>0</b>	
<b>Totals for Municipal Standard Cl : COM:SPAT</b>				<b>1,899,638</b>	<b>2,003,930</b>	<b>2,130,805</b>	



Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	Description		<b>Account Type</b>				
<b>Municipal Standard CI : COM:TRAF</b>							
D0001/IR01141/F0042/X119/R0842/001/COM:TRAF	Default Transactions	Municipal	Fines, Penalties and Forfeits [Revenue - Non-excha	3,879,788	4,085,417	4,301,944	
D0001/IR01519/F0044/X119/R0842/001/FIN:REV	Default Transactions	Drivers Licence Application	Licences or Permits [Revenue - Exchange Revenue]	2,092,022	2,202,900	2,319,653	
D0001/IR01523/F0044/X049/R0842/001/COM:TRAF	Default Transactions	Learner Licence Application	Licences or Permits [Revenue - Exchange Revenue]	156,855	165,168	173,922	
D0001/IR02401/F0039/X119/R0842/001/COM:TRAF	Default Transactions	Vehicle Registration	Agency Services [Revenue - Exchange Revenue]	509,106	536,089	564,501	
				<b>6,637,771</b>	<b>6,989,573</b>	<b>7,360,021</b>	
O0001/IE00036/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	3,340,887	3,558,044	3,789,317	
O0001/IE00040/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	498	530	564	
O0001/IE00043/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	296,537	315,811	336,339	
O0001/IE00044/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	650,190	692,452	737,462	
O0001/IE00045/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	36,264	38,621	41,131	



O0001/IE00121/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	14,183	15,105	16,087	
O0001/IE00126/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	80,867	86,124	91,722	
O0001/IE01521/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,615	8,110	
O0001/IE01526/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	302,197	321,840	342,759	
O0001/IE01530/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	97,224	103,543	110,274	
O0001/IE01533/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	12,582	13,400	14,271	
O0001/IE03970/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Shift Additional Remuner	Employee Related Cost [Expenditure]	110,773	117,973	125,641	
O0001/IE00595/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	13,445	14,319	15,250	
O0001/IE03971/F0041/X113/R0841/001/COM:TRAF	Municipal Running Cost	Structured	Employee Related Cost [Expenditure]	57,191	60,908	64,867	
				<b>5,019,986</b>	<b>5,346,285</b>	<b>5,693,794</b>	
O0001/IE00059/F0042/X113/R0842/001/COM:TRAF	Municipal Running Cost	National	Operational Cost [Expenditure]	5,510	5,802	6,109	
O0001/IE00561/F2495/X113/R0842/001/COM:TRAF	Municipal Running Cost	Drivers Licences and Permits	Operational Cost [Expenditure]	81,628	85,954	90,510	
O0001/IE00583/F2495/X113/R0842/001/COM:TRAF	Municipal Running Cost	Printing, Publications and Books	Operational Cost [Expenditure]	40,986	43,158	45,445	



O0001/IE00677/F0046/X113/R0842/001/COM:TRAF	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	6,807	7,168	7,548	
O0001/IE00751/F2495/X113/R0842/001/COM:TRAF	Municipal Running Cost	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O0001/IE00756/F2495/X113/R0842/001/COM:TRAF	Municipal Running Cost	Signs	Operational Cost [Expenditure]	0	0	0	
O0001/IE00792/F2495/X113/R0842/001/COM:TRAF	Municipal Running Cost	Software Licences	Operational Cost [Expenditure]	34,463	36,289	38,213	
				<b>169,393</b>	<b>178,371</b>	<b>187,825</b>	
O1232-2/IE00060/F0046/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	54,919	57,830	60,895	
O1232-2/IE00060/F2495/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	12,884	13,567	14,286	
O1232-2/IE00061/F2495/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	422	444	468	
O1232-2/IE01581/F0042/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	2,991	3,149	3,316	
O1232-2/IE01581/F0046/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01581/F2495/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F0042/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Road Transport / Tourism	Operational Cost [Expenditure]	12,244	12,893	13,576	





O1232-2/IE01583/F0046/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	67,055	70,609	74,352	
O1232-2/IE01583/F2495/X113/R0842/001/COM:TRAF	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	0	0	0	
O1255-1/IE00059/F1164/X113/R0842/001/COM:TRAF	EC126_LIB1_Library operations	National	Operational Cost [Expenditure]	21,060	22,176	23,351	LIB
O0001/IE00660/F4707/X007/R0842/001/COM:TRAF	EC126_LIB1_Library operations	Cleaning Materials		71,337	75,117	79,099	LIB
O0001/IE00060/F4707/X007/R0842/001/COM:TRAF	EC126_LIB1_Library operations	Accommodation		71,337	75,117	79,099	LIB
O0001/IE00754/F4707/X007/R0842/001/COM:TRAF	EC126_LIB1_Library operations	Gifts and Promotional Items		71,337	75,117	79,099	LIB
O1255-1/IE00677/F1164/X113/R0842/001/COM:TRAF	EC126_LIB1_Library operations	Catering Services	Contracted Services [Expenditure]	59,770	62,938	66,274	LIB
O1255-1/IE01583/F1164/X113/R0842/001/COM:TRAF	EC126_LIB1_Library operations	Road Transport	Operational Cost [Expenditure]	73,710	77,617	81,730	LIB
O1547-2/IE00628/F2495/X113/R0842/001/COM:TRAF	EC126_RSC2_Callibration of Speed Cameras Traffic Services	Audio-visual Services	Contracted Services [Expenditure]	21,880	23,040	24,261	43,761
				<b>540,947</b>	<b>569,617</b>	<b>599,806</b>	
C0006-3/IA06313/F2496/X047/R0842/001/COM:TRAF	EC126_CAP PS 1_Plant & Equip	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	102,668	108,109	113,839	
				<b>102,668</b>	<b>108,109</b>	<b>113,839</b>	
<b>Totals for Municipal Standard CI : COM:TRAF</b>				<b>5,832,993</b>	<b>6,202,382</b>	<b>6,595,263</b>	



Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
Budgets							
<b>Account</b>	Description		<b>Account Type</b>				
<b>Municipal Standard CI : COR:ADMN</b>							
O0001/IE00036/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	6,104,905	6,501,724	6,924,336	
O0001/IE00040/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	3,577	3,809	4,057	
O0001/IE00043/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	242,865	258,652	275,464	
O0001/IE00044/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	487,337	519,014	552,750	
O0001/IE00045/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	66,978	71,332	75,969	
O0001/IE00121/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE00595/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	39,961	42,558	45,324	
O0001/IE01521/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,614	8,109	
O0001/IE01526/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	494,129	526,248	560,454	
O0001/IE01530/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	166,996	177,851	189,411	



O0001/IE01533/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE03971/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Structured	Employee Related Cost [Expenditure]	57,191	60,908	64,867	
O0001/IE06079/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Basic Salary	Employee Related Cost [Expenditure]	999,936	1,064,932	1,134,153	
O0001/IE06146/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	105	112	120	
O0001/IE06253/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,041	2,174	2,315	
O0001/IE06913/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	176,459	187,929	200,145	
O0001/IE07064/F0041/X046/R0841/001/COR:ADMN	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
				<b>8,939,206</b>	<b>9,520,254</b>	<b>10,139,071</b>	
O0001/IE00655/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	Pest Control and Fumigation	Contracted Services [Expenditure]	1,500	1,580	1,663	
O0001/IE00660/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	Preservation	Contracted Services [Expenditure]	100,000	105,300	110,881	
O0001/IE00677/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	5,250	5,528	5,821	
O0001/IE00739/F2495/X050/R0842/001/COR:ADMN	Municipal Running Cost	Fuel Zero Rated	Inventory Consumed [Expenditure]	694,980	731,814	770,600	
O0001/IE00579/F2496/X049/R0842/001/COR:ADMN	Municipal Running Cost	Municipal Services	Operational Cost [Expenditure]	525,411	553,258	582,581	
O0001/IE00059/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	National	Operational Cost [Expenditure]	15,000	15,795	16,632	



O0001/IE00583/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	Printing, Publication s and Books	Operational Cost [Expenditure]	100,457	105,781	111,387	
O0001/IE00605/F2496/X050/R0842/001/COR:ADMN	Municipal Running Cost	Vehicle Tracking	Operational Cost [Expenditure]	20,000	21,060	22,176	
O0001/IE00771/F2496/X046/R0842/001/COR:ADMN	Municipal Running Cost	Postage	Operational Cost [Expenditure]	19,882	20,935	22,045	
O0001/IE00782/F2496/X046/R0841/001/COR:ADMN	Municipal Running Cost	Mayor	Operational Cost [Expenditure]	0	0	0	
O0001/IE00783/F2496/X046/R0841/001/COR:ADMN	Municipal Running Cost	Senior Manageme nt	Operational Cost [Expenditure]	0	0	0	
O0001/IE00808/F2496/X050/R0842/001/COR:ADMN	Municipal Running Cost	Motor Vehicle Licence and Registratio ns	Operational Cost [Expenditure]	76,479	80,533	84,801	
				<b>1,558,959</b>	<b>1,641,583</b>	<b>1,728,587</b>	
O1232-2/IE00060/F2496/X046/R0842/001/COR:ADMN	EC126_Workshops, Seminars and Subject Matter Training	Accommod ation	Operational Cost [Expenditure]	72,445	76,284	80,327	
O1232-2/IE00061/F2496/X046/R0842/001/COR:ADMN	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01581/F2496/X046/R0842/001/COR:ADMN	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F2496/X046/R0842/001/COR:ADMN	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	50,455	53,129	55,945	
O1293-4/IE00636/F2496/X046/R0841/001/COR:ADMN	EC126_CORP5_Team Building Corporate Services	Event Promoters	Contracted Services [Expenditure]	50,000	52,650	55,440	



				<b>172,899</b>	<b>182,063</b>	<b>191,712</b>	
O0001/IE00651/F2495/X050/R0842/001/COR:ADMN	Municipal Running Cost	Maintenance of Unspecified Assets	Contracted Services [Expenditure]	51,367	54,089	56,956	
O1551-1/IE00651/F2495/X050/R0842/001/COR:ADMN	EC126_FLT01_Repairs Vehicles & Implements : Administration	Maintenance of Unspecified Assets	Contracted Services [Expenditure]	600,000	631,800	665,285	
				<b>651,367</b>	<b>685,889</b>	<b>722,241</b>	
C0004-2/IA06253/F0041/X047/R0842/001/COR:ADMN	EC126_CAP ADM 1_Records management projects	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	155,000	163,215	171,865	
C0004-4/IA06253/F0041/X047/R0842/001/COR:ADMN	EC126_CAP ADM 2_Records management projects	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	0	0	0	
C0007-1/IA01367/F0041/X047/R0842/001/COR:ADMN	EC126CAP FLT 1_Municipal Vehicles	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	2,250,000	2,369,250	2,494,820	
C0083-1/IA01952/F2496/X016/R0842/001/COR:ADMN	EC126_CAP ADM 3_Mqwashini Memorial	Outsourced	Construction Work-in-progress [Assets - Non-current]	0	0	0	
C0086-1/IA05101/F0041/X047/R0842/001/COR:ADMN	EC126_CAP ADM 8_Automated agenda management and distribution system	Acquisitions	Intangible Assets [Assets - Non-current Assets]	0	0	0	
				<b>2,405,000</b>	<b>2,532,465</b>	<b>2,666,686</b>	
<b>Totals for Municipal Standard CI : COR:ADMN</b>				<b>13,727,430</b>	<b>14,562,255</b>	<b>15,448,297</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							



Account	Description		Account Type				
<b>Municipal Standard CI : COR:HR</b>							
O0001/IE00036/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,838,428	1,957,925	2,085,190	
NEW	WORKMANS COMP	WORKMAN S COMP		500,000			
O0001/IE00040/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	697	742	790	
O0001/IE00043/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	107,899	114,913	122,382	
O0001/IE00044/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	283,114	301,516	321,115	
O0001/IE00045/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	17,732	18,885	20,113	
O0001/IE00121/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE01521/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,614	8,109	
O0001/IE01526/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	147,770	157,375	167,605	
O0001/IE01530/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	41,177	43,854	46,704	
O0001/IE00595/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,682	6,052	6,445	
O0001/IE01533/F0041/X051/R0841/001/COR:HR	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	84,876	90,393	96,269	





				<b>3,124,099</b>	<b>2,794,666</b>	<b>2,976,319</b>	
O0001/IE00550/F2496/X047/R0842/001/COR:HR	Municipal Running Cost	Assets less than the Capitalisation Threshold	Operational Cost [Expenditure]	3,686	3,881	4,087	
O0001/IE00576/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	Learnerships and Internships	Operational Cost [Expenditure]	0	0	0	
O0001/IE00019/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	Human Resources	Contracted Services [Expenditure]	0	0	0	
O0001/IE00584/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	Professional Bodies, Membership and Subscription	Operational Cost [Expenditure]	250	263	277	
O0001/IE00604/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	Uniform and Protective Clothing	Operational Cost [Expenditure]	207,500	218,498	230,078	
O0001/IE00640/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	First Aid	Contracted Services [Expenditure]	2,500	2,633	2,772	
O0001/IE00703/F2496/X051/R0842/001/COR:HR	Municipal Running Cost	Transport Services	Contracted Services [Expenditure]	0	0	0	
				<b>213,936</b>	<b>225,274</b>	<b>237,214</b>	
O1232-1/IE00019/F2496/X051/R0842/001/COR:HR	EC126_HRM8_Training Expenses : Corporate Services - Human Resources	Human Resources	Contracted Services [Expenditure]	328,975	346,411	364,770	
O1232-1/IE00060/F2496/X051/R0842/001/COR:HR	EC126_HRM8_Training Expenses : Corporate	Accommodation	Operational Cost [Expenditure]	183,972	193,723	203,990	



	Services - Human Resources						
O1232-1/IE00061/F2496/X051/R0842/001/CO R:HR	EC126_HRM8_Training Expenses : Corporate Services - Human Resources	Daily Allowance	Operational Cost [Expenditure]	11,157	11,748	12,371	
O1232-1/IE00576/F2494/X051/R0841/001/CO R:HR	EC126_HRM8_Training Expenses : Corporate Services - Human Resources	Learnerships and Internships	Operational Cost [Expenditure]	7,647	8,053	8,479	
O1232-1/IE01581/F2496/X051/R0842/001/CO R:HR	EC126_HRM8_Training Expenses : Corporate Services - Human Resources	Air Transport	Operational Cost [Expenditure]	22,314	23,497	24,742	
O1232-1/IE01583/F2496/X051/R0842/001/CO R:HR	EC126_HRM8_Training Expenses : Corporate Services - Human Resources	Road Transport	Operational Cost [Expenditure]	44,628	46,993	49,484	
O1232-2/IE00060/F2496/X051/R0842/001/CO R:HR	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE00061/F2496/X051/R0842/001/CO R:HR	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	198	208	220	
O1232-2/IE01581/F2496/X051/R0842/001/CO R:HR	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F2496/X051/R0842/001/CO R:HR	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	1,109	1,168	1,230	
O1299-1/IE00060/F2496/X051/R0842/001/CO R:HR	EC126_HRM11_Employee Study Assistance :	Accommodation	Operational Cost [Expenditure]	4,989	5,253	5,532	



	Corporate Services - Human Resources						
O1299-1/IE00061/F2496/X051/R0842/001/CO R:HR	EC126_HRM11_Employee Study Assistance : Corporate Services - Human Resources	Daily Allowance	Operational Cost [Expenditure]	396	417	439	
O1299-1/IE00555/F2496/X051/R0842/001/CO R:HR	EC126_HRM11_Employee Study Assistance : Corporate Services - Human Resources	Bursaries (Employees )	Operational Cost [Expenditure]	0	0	0	
O1299-1/IE01581/F2496/X051/R0842/001/CO R:HR	EC126_HRM11_Employee Study Assistance : Corporate Services - Human Resources	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1299-1/IE01583/F2496/X051/R0842/001/CO R:HR	EC126_HRM11_Employee Study Assistance : Corporate Services - Human Resources	Road Transport	Operational Cost [Expenditure]	0	0	0	
O1299-2/IE00534/F2496/X051/R0842/001/CO R:HR	EC126_HRM2_Employee Assistance Programme : Corporate Services - Human Resources	Materials and Supplies	Inventory Consumed [Expenditure]	10,000	10,530	11,088	
O1299-2/IE00583/F2496/X051/R0842/001/CO R:HR	EC126_HRM2_Employee Assistance Programme : Corporate Services - Human Resources	Printing, Publication s and Books	Operational Cost [Expenditure]	1,018	1,071	1,128	
O1299-2/IE00632/F2496/X051/R0842/001/CO R:HR	EC126_HRM2_Employee Assistance Programme : Corporate Services - Human Resources	Catering Services	Contracted Services [Expenditure]	25,000	26,325	27,720	



O1299-2/IE00635/F2496/X051/R0842/001/CO R:HR	EC126_HRM2_Employee Assistance Programme : Corporate Services - Human Resources	Employee Wellness	Contracted Services [Expenditure]	30,000	31,590	33,264	
<b>NEW</b>	MEDICAL SURVEILANCE			100,000			
O1299-2/IE01583/F2496/X051/R0842/001/CO R:HR	EC126_HRM2_Employee Assistance Programme : Corporate Services - Human Resources	Road Transport	Operational Cost [Expenditure]	2,106	2,218	2,335	
O1300-1/IE00019/F2496/X051/R0842/001/CO R:HR	EC126_HRM1_Human Resources (Recruitments and selection)	Human Resources	Contracted Services [Expenditure]	25,366	26,711	28,127	
O1300-1/IE00061/F2496/X051/R0842/001/CO R:HR	EC126_HRM1_Human Resources (Recruitments and selection)	Daily Allowance	Operational Cost [Expenditure]	7,983	8,406	8,852	
O1300-1/IE00677/F2496/X051/R0842/001/CO R:HR	EC126_HRM1_Human Resources (Recruitments and selection)	Catering Services	Contracted Services [Expenditure]	4,000	4,212	4,435	
O1300-1/IE00757/F2496/X051/R0842/001/CO R:HR	EC126_HRM1_Human Resources (Recruitments and selection)	Staff Recruitment	Operational Cost [Expenditure]	25,000	26,325	27,720	
O1300-1/IE00815/F2496/X051/R0842/001/CO R:HR	EC126_HRM1_Human Resources (Recruitments and selection)	Non-employees	Operational Cost [Expenditure]	242	255	269	
O1333-1/IE00060/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Accommodation	Operational Cost [Expenditure]	5,000	5,265	5,544	



O1333-1/IE00061/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Daily Allowance	Operational Cost [Expenditure]	20,000	21,060	22,176	
O1333-1/IE00677/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Catering Services	Contracted Services [Expenditure]	60,000	63,180	66,529	
O1333-1/IE00703/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Transport Services	Contracted Services [Expenditure]	75,000	78,975	83,161	
O1333-1/IE00754/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Gifts and Promotional Items	Operational Cost [Expenditure]	0	0	0	
O1333-1/IE00810/F2496/X051/R0841/001/CO R:HR	EC126_HRM3_SAIMSA Games	Professional and Regulatory Bodies	Operational Cost [Expenditure]	5,265	5,544	5,838	
O1336-3/IE00060/F2496/X051/R0842/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Accommodation	Operational Cost [Expenditure]	0	0	0	
O1336-3/IE00061/F2496/X051/R0842/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O1336-3/IE00840/F0041/X051/R0841/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Human Resources	Contracted Services [Expenditure]	0	0	0	
O1336-3/IE00840/F2496/X051/R0842/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Human Resources	Contracted Services [Expenditure]	0	0	0	
O1336-3/IE01581/F2496/X051/R0842/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1336-3/IE01583/F2496/X051/R0842/001/CO R:HR	EC126_HRM12_Development of Human Resources Strategies	Road Transport	Operational Cost [Expenditure]	0	0	0	



				1,001,365	949,137	999,442	
<b>Totals for Municipal Standard CI : COR:HR</b>				<b>4,339,400</b>	<b>3,969,077</b>	<b>4,212,974</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : MMO:ICT</b>							
O0001/IE00036/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,012,547	1,078,363	1,148,457	
O0001/IE00040/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	398	424	451	
O0001/IE00043/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	43,947	46,804	49,846	
O0001/IE00044/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	164,495	175,187	186,574	
O0001/IE00045/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	9,935	10,581	11,268	
O0001/IE00059/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	National	Operational Cost [Expenditure]	3,148	3,352	3,570	
O0001/IE00121/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE01526/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	82,790	88,172	93,903	
O0001/IE01530/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	16,013	17,054	18,163	
O0001/IE00595/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	6,245	6,651	7,083	





O0001/IE00126/F0041/X052/R0841/001/MMO:ICT	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
				<b>1,429,093</b>	<b>1,521,984</b>	<b>1,620,913</b>	
O0001/IE00534/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	Materials and Supplies	Inventory Consumed [Expenditure]	41,148	43,329	45,625	
O0001/IE00539/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	Furniture and Office Equ	Operating Leases [Expenditure]	400,352	421,570	443,913	<b>CONTR ACT</b>
O0001/IE00769/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	Cellular Contract (Subsc	Operational Cost [Expenditure]	458,907	483,229	508,840	<b>CONTR ACT</b>
O0001/IE00778/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	Telephone, Fax, Telegrap	Operational Cost [Expenditure]	513,899	541,136	569,816	<b>CONTR ACT</b>
O0001/IE00792/F2496/X052/R0842/001/MMO:ICT	Municipal Running Cost	Software Licences	Operational Cost [Expenditure]	681,291	717,399	755,422	<b>CONTR ACT</b>
O1232-2/IE00061/F2496/X052/R0842/001/M MO:ICT	EC126_Workshops, Seminar	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE00143/F2496/X052/R0842/001/M MO:ICT	EC126_Workshops, Seminar	Car Rental	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F2496/X052/R0842/001/M MO:ICT	EC126_Workshops, Seminar	Road Transport	Operational Cost [Expenditure]	455	480	505	
				<b>2,096,052</b>	<b>2,207,143</b>	<b>2,324,121</b>	
O1547-1/IE00650/F2496/X052/R0842/001/M MO:ICT	EC126 ICT1_Maintanan ce I	Maintenan ce of Equipment	Contracted Services [Expenditure]	56,363	59,350	62,495	
				<b>56,363</b>	<b>59,350</b>	<b>62,495</b>	



C0003-1/IA06193/F0041/X047/R0842/001/M MO:ICT	ec126_CAP IT 1_Computer Equipment	Acquisitions	Property, Plant and Equipment [Assets - Non-curren	300,000	315,900	332,643	
C0026-1/IA00052/F0041/X047/R0842/001/M MO:ICT	EC126_CAP IT 2_IT infrastructure	Acquisitions	Property, Plant and Equipment [Assets - Non-curren	975,000	1,026,675	1,081,089	
C0027-1/IA00052/F0041/X047/R0842/001/M MO:ICT	EC126_CAP IT 2_IT infrastructure	Acquisitions	Property, Plant and Equipment [Assets - Non-curren	0	0	0	
C0086-2/IA05101/F0041/X047/R0842/001/M MO:ICT	EC126_CAP IT 3_Software	Acquisitions	Intangible Assets [Assets - Non-current Assets]	425,000	447,525	471,244	
				<b>1,700,000</b>	<b>1,790,100</b>	<b>1,884,975</b>	
<b>Totals for Municipal Standard CI : MMO:ICT</b>				<b>5,281,507</b>	<b>5,578,576</b>	<b>5,892,505</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : FIN:ASSE</b>							
O0001/IE00036/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	787,472	838,657	893,170	
O0001/IE00040/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	302	321	342	
O0001/IE00043/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	25,985	27,674	29,473	
O0001/IE00044/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	92,103	98,090	104,466	
O0001/IE01526/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	42,640	45,412	48,364	
O0001/IE01530/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	



O0001/IE00045/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	4,186	4,458	4,748	
O0001/IE00595/F0041/X047/R0841/001/FIN:ASSE	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,655	6,023	6,414	
				<b>958,343</b>	<b>1,020,635</b>	<b>1,086,976</b>	
O0001/IE00801/F2494/X049/R0842/001/FIN:ASSE	Municipal Running Cost	Excess Payments	Operational Cost [Expenditure]	8,626	9,083	9,565	
O0001/IE00803/F2494/X049/R0842/001/FIN:ASSE	Municipal Running Cost	Insurance Brokers Fees	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01581/F2494/X049/R0842/001/FIN:ASSE	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O0001/IE00805/F0040/X049/R0842/001/FIN:ASSE	Municipal Running Cost	Premiums	Operational Cost [Expenditure]	550,000	579,150	609,845	<b>INSURANCE</b>
O0001/IE00848/F0047/X049/R0842/001/FIN:ASSE	Municipal Running Cost	Valuer and Assessors	Contracted Services [Expenditure]	2,846	2,997	3,155	
				<b>561,472</b>	<b>591,230</b>	<b>622,565</b>	
O1232-2/IE00061/F0044/X049/R0842/001/FIN:ASSE	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F0044/X049/R0842/001/FIN:ASSE	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	0	0	0	
				<b>0</b>	<b>0</b>	<b>0</b>	
C0004-1/IA06253/F2494/X049/R0842/001/FIN:ASSE	EC126_CAPAST01_Scanners and barcodes	assets	Property, Plant and Equipment [Assets - Non-current]	0	0	0	
				<b>0</b>	<b>0</b>	<b>0</b>	



<b>Totals for Municipal Standard CI : FIN:ASSE</b>				<b>1,519,815</b>	<b>1,611,865</b>	<b>1,709,541</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : FIN:BTO</b>							
O0001/IE00036/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	3,863,757	4,114,902	4,382,370	
O0001/IE00040/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	293	312	332	
O0001/IE00043/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	49,884	53,126	56,580	
O0001/IE00044/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	509,764	542,898	578,187	
O0001/IE01526/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	216,429	230,497	245,479	
O0001/IE01530/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	37,174	39,590	42,163	
O0001/IE01533/F0041/X058/R0841/001/FIN:BTO	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00045/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	23,475	25,001	26,626	
O0001/IE00121/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	87,883	93,596	99,679	
O0001/IE00126/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	130,010	138,461	147,461	



O0001/IE00595/F0041/X048/R0841/001/FIN:BTO	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	31,781	33,847	36,047	
				<b>4,950,449</b>	<b>5,272,229</b>	<b>5,614,924</b>	
O0001/IE00735/F0041/X048/R0842/001/FIN:BTO	Municipal Running Cost	Overdue Accounts	Interest, Dividends and Rent on Land [Expenditure]	0	0	0	
O1232-2/IE00060/F1177/X048/R0842/001/FIN:BTO	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	0	0	0	
O0001/IE00759/F2494/X048/R0842/001/FIN:BTO	Municipal Running Cost	Bank Accounts	Operational Cost [Expenditure]	0	0	0	
O0001/IE00759/F0041/X048/R0359/001/FIN:BTO	Municipal Running Cost	Bank Accounts	Operational Cost [Expenditure]	59,810	62,980	66,318	
O0001/IE00576/F1177/X048/R0841/001/FIN:BTO	Municipal Running Cost	Learnerships and Internships	Operational Cost [Expenditure]	123,000	160,000	180,000	FMG
O1232-2/IE00061/F1177/X048/R0841/001/FIN:BTO	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	220,000	250,000	263,250	FMG
O1232-2/IE00142/F1177/X048/R0841/001/FIN:BTO	EC126_Workshops, Seminars and Subject Matter Training	Other Transport Provider	Operational Cost [Expenditure]	715,183	760,000	800,000	FMG
O1232-2/IE00060/F1177/X048/R0841/001/FIN:BTO	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	123,347	130,000	135,000	FMG
				<b>1,241,340</b>	<b>1,362,980</b>	<b>1,444,568</b>	
O0001/IE00835/F1177/X048/R0841/001/FIN:BTO	Municipal Running Cost	Business and Financial Management	Contracted Services [Expenditure]	493,388	619,538	752,373	FMG



O0001/IE00019/F1177/X048/R0841/001/FIN:BTO	Municipal Running Cost	Human Resources	Contracted Services [Expenditure]	146,694	254,469	367,956	FMG
O0001/IE00830/F1177/X048/R0841/001/FIN:BTO	Municipal Running Cost	Accounting and Auditing	Contracted Services [Expenditure]	493,388	601,927	705,669	FMG
				<b>1,133,470</b>	<b>1,475,933</b>	<b>1,825,998</b>	
C0004-5/IA06253/F2496/X047/R0842/001/FIN:BTO	EC126_CAP BTO 1_Furn & Equip	Acquisitions	Property, Plant and Equipment [Assets - Non-curren	100,000	105,300	110,881	FMG
				<b>100,000</b>	<b>105,300</b>	<b>110,881</b>	
<b>Totals for Municipal Standard CI : FIN:BTO</b>				<b>7,425,260</b>	<b>8,216,443</b>	<b>8,996,371</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<u>Account</u>	Description		<u>Account Type</u>				
<b>Municipal Standard CI : FIN:CFO</b>							
O0001/IE06059/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Basic Salary	Employee Related Cost [Expenditure]	1,439,410	1,532,972	1,632,615	
O0001/IE06063/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	105	112	120	
O0001/IE06071/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,042	2,174	2,316	
O0001/IE06766/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	37,322	39,748	42,331	
O0001/IE06772/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	223,658	238,196	253,679	
O0001/IE06782/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	leave pay	Employee Related Cost [Expenditure]	2,556	2,722	2,899	





O0001/IE06067/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	medical	Employee Related Cost [Expenditure]	30,114	32,072	34,157	
O0001/IE06069/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	29,567	31,489	33,536	
O0001/IE06061/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	13,845	14,745	15,703	
O0001/IE00595/F0041/X049/R0841/001/FIN:CFO	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	17,040	18,148	19,327	
				<b>1,795,660</b>	<b>1,912,378</b>	<b>2,036,682</b>	
O0001/IE00810/F2494/X048/R0841/001/FIN:CFO	Municipal Running Cost	Professional and Regulatory Bodies	Operational Cost [Expenditure]	12,669	13,340	14,047	
O0001/IE00753/F2494/X048/R0841/001/FIN:CFO	Municipal Running Cost	Customer	Operational Cost [Expenditure]	0	0	0	
				<b>12,669</b>	<b>13,340</b>	<b>14,047</b>	
O0001/IE00015/F0041/X048/R0842/001/FIN:CFO	Municipal Running Cost	Accounting and Auditing	Contracted Services [Expenditure]	1,625,625	1,711,783	1,802,507	ARMS
O0001/IE00830/F2494/X048/R0841/001/FIN:CFO	Municipal Running Cost	Accounting and Auditing	Contracted Services [Expenditure]	3,054,433	3,216,318	3,386,783	AG
O0001/IE00015/F0046/X048/R0842/001/FIN:CFO	Municipal Running Cost	Accounting and Auditing	Contracted Services [Expenditure]	1,147,113	1,207,910	1,271,929	DEBT COLL
O0001/IE00677/F2494/X048/R0841/001/FIN:CFO	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	3,436	3,619	3,810	
				<b>5,830,607</b>	<b>6,139,629</b>	<b>6,465,030</b>	
O0001/IE00516/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Bad Debts Written Off	Bad Debts Written Off [Expenditure]	2,169,600	2,284,589	2,405,672	



				<b>2,169,600</b>	<b>2,284,589</b>	<b>2,405,672</b>	
O0001/IE00030/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Computer Software and Applications	Depreciation and Amortisation [Expenditure]	263,250	277,202	291,894	
O0001/IE00708/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Community Assets	Depreciation and Amortisation [Expenditure]	2,843,100	2,993,784	3,152,455	
O0001/IE00709/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Computer Equipment	Depreciation and Amortisation [Expenditure]	284,310	299,378	315,245	
O0001/IE00710/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Electrical Infrastructure	Depreciation and Amortisation [Expenditure]	3,891,500	4,097,750	4,314,930	
O0001/IE00711/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Furniture and Office Equipment	Depreciation and Amortisation [Expenditure]	105,300	110,881	116,758	
O0001/IE00717/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Other Assets	Depreciation and Amortisation [Expenditure]	1,948,050	2,051,297	2,160,015	
O0001/IE00719/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Roads Infrastructure	Depreciation and Amortisation [Expenditure]	3,400,735	3,580,974	3,770,765	
O0001/IE00721/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Solid Waste Infrastructure	Depreciation and Amortisation [Expenditure]	210,600	221,762	233,515	
O0001/IE00722/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Storm water Infrastructure	Depreciation and Amortisation [Expenditure]	526,500	554,404	583,788	



O0001/IE00723/F0001/X049/R0842/001/FIN:CFO	Municipal Running Cost	Transport Assets	Depreciation and Amortisation [Expenditure]	1,579,500	1,663,214	1,751,364	
				<b>15,052,845</b>	<b>15,850,645</b>	<b>16,690,730</b>	
O0001/IE00731/F0041/X049/R0840/001/FIN:CFO	Municipal Running Cost	Finance Leases	Interest, Dividends and Rent on Land [Expenditure]	2,100,000	2,211,300	2,328,499	
				<b>2,100,000</b>	<b>2,211,300</b>	<b>2,328,499</b>	
O1232-2/IE00060/F2494/X048/R0841/001/FIN:CFO	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	142,211	149,748	157,685	
O1232-2/IE00061/F0044/X048/R0841/001/FIN:CFO	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01581/F2494/X048/R0842/001/FIN:CFO	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	6,497	6,841	7,204	
O0001/IE00583/F2494/X049/R0842/001/FIN:ASSE	Municipal Running Cost	Printing, Publications and Books	Operational Cost [Expenditure]	9,345	9,841	10,362	
O1232-2/IE01583/F2495/X048/R0842/001/FIN:CFO	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	81,269	85,576	90,111	
O1278-1/IE00576/F1169/X048/R0842/001/FIN:CFO	EC126_CFO08_ EPWP : Roads and Stormwater	Learnerships and Internships	Operational Cost [Expenditure]	1,480,000	0	0	<b>EPWP</b>
				<b>1,719,322</b>	<b>252,006</b>	<b>265,363</b>	
<b>Totals for Municipal Standard CI : FIN:CFO</b>				<b>28,680,703</b>	<b>28,663,888</b>	<b>30,206,022</b>	



Municipal Standard CI : FIN:EXPE							
O0001/IE00036/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,343,924	1,431,279	1,524,312	
O0001/IE00040/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	199	212	226	
O0001/IE00043/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	31,785	33,851	36,052	
O0001/IE00044/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	239,853	255,443	272,047	
O0001/IE00045/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	10,813	11,516	12,265	
O0001/IE00121/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE00595/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	6,218	6,622	7,052	
O0001/IE01526/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	90,111	95,968	102,206	
O0001/IE01530/F0041/X049/R0841/001/FIN:EXPE	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	13,154	14,009	14,919	
<b>Totals for Municipal Standard CI : FIN:EXPE</b>				<b>1,825,631</b>	<b>1,944,297</b>	<b>2,070,676</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<u>Account</u>	Description		<u>Account Type</u>				
<b>Municipal Standard CI : FIN:REV</b>							



D0001/IR00992/F0930/X132/R0842/001/FIN:REV	Default Transactions	Refuse Removal	Service Charges [Revenue - Exchange Revenue]	755,323	795,356	837,509	
				<b>755,323</b>	<b>795,356</b>	<b>837,509</b>	
D0001/IR01043/F0041/X049/R0842/001/FIN:REV	Default Transactions	Agricultural Purposes	Default Transactions/Agricultural Purposes/FINANCE : REVENUE	2,556,625	2,692,126	2,834,809	
D0001/IR01049/F0041/X049/R0842/001/FIN:REV	Default Transactions	Developed	Default Transactions/Developed /FINANCE : REVENUE	3,845,052	4,048,839	4,263,428	
D0001/IR01482/F2496/X049/R0842/001/FIN:REV	Default Transactions	Business and Commercial Properties	Property Rates [Revenue - Non-exchange Revenue]	2,824,364	2,974,055	3,131,680	
D0001/IR01489/F2496/X049/R0842/001/FIN:REV	Default Transactions	Other Categories	Property Rates [Revenue - Non-exchange Revenue]	20,698	21,795	22,950	
D0001/IR01493/F0041/X049/R0842/001/FIN:REV	Default Transactions	Public Service Infrastructure Properties	Property Rates [Revenue - Non-exchange Revenue]	14	15	16	
D0001/IR01493/F2496/X049/R0842/001/FIN:REV	Default Transactions	Public Service Infrastructure Properties	Property Rates [Revenue - Non-exchange Revenue]	58	61	64	
D0001/IR01496/F2496/X049/R0842/001/FIN:REV	Default Transactions	State-owned Properties	Property Rates [Revenue - Non-exchange Revenue]	20,771,708	21,872,608	23,031,856	
IR01385/IR01481/F0041/X049/R0842/001/FIN:REV	Bona Fide Farmers Rebate or Exemption	Agricultural Property	Property Rates [Revenue - Non-exchange Revenue]	-628,464	-661,772	-696,846	



IR01389/IR01049/F0041/X049/R0842/001/FIN:REV	Indigent Owners	Developed	Property Rates [Revenue - Non-exchange Revenue]	-610,223	-642,564	-676,620	
D0001/IR01143/F2495/X049/R0842/001/FIN:REV	Default Transactions	Property Rates	Interest, Dividend and Rent on Land [Revenue - Non	4,343,234	4,573,426	4,815,817	
D0001/IR01059/F2494/X049/R0842/001/FIN:REV	Default Transactions	Bank Accounts	Interest, Dividend and Rent on Land [Revenue - Exc	2,701,720	2,844,911	2,995,691	
D0001/IR01102/F0046/X049/R0842/001/FIN:REV	Default Transactions	Straight-lined Operating	Rental from Fixed Assets [Revenue - Exchange Reven	356,285	375,168	395,052	
D0001/IR01257/F0046/X006/R0842/001/FIN:REV	Default Transactions	Community Assets	Rental from Fixed Assets [Revenue - Exchange Reven	215,922	227,366	239,416	
D0001/IR01113/F0047/X058/R0842/001/FIN:REV	Default Transactions	Tender Documents	Sales of Goods and Rendering of Services [Revenue	112,039	117,977	124,230	
D0001/IR01426/F0047/X094/R0842/001/FIN:REV	Default Transactions	Advertisem ents	Sales of Goods and Rendering of Services [Revenue	4,104	4,322	4,551	
D0001/IR01428/F0047/X101/R0842/001/FIN:REV	Default Transactions	Application Fees for Land Usage	Sales of Goods and Rendering of Services [Revenue	16,963	17,862	18,808	
D0001/IR01433/F0047/X004/R0842/001/FIN:REV	Default Transactions	Cemetery and Burial	Sales of Goods and Rendering of Services [Revenue	1,344	1,416	1,491	
D0001/IR01457/F0047/X046/R0842/001/FIN:REV	Default Transactions	Photocopie s and Faxes	Sales of Goods and Rendering of Services [Revenue	87,884	92,541	97,446	
D0001/IR01443/F0047/X142/R0842/001/FIN:REV	Default Transactions	Entrance Fees	Sales of Goods and Rendering of Services [Revenue	56,020	58,989	62,115	





				<b>36,675,347</b>	<b>38,619,141</b>	<b>40,665,955</b>	
D0001/IR00977/F0040/X047/R0842/001/FIN:REV	Default Transactions	Gains	Disposal of Fixed and Intangible Assets [Gains and	4,119,655	4,337,997	4,567,911	
D0001/IZ00106/F0040/X047/R0842/001/FIN:REV	Default Transactions	Gains	Disposal of Fixed and Intangible Assets [Gains and	0	0	0	
				<b>4,119,655</b>	<b>4,337,997</b>	<b>4,567,911</b>	
D0001/IR01666/F0786/X049/R0842/001/FIN:REV	Default Transactions	Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	Transfers and Subsidies [Revenue - Non-exchange Re	5,332,000	0	6,400,000	
D0001/IR01671/F1182/X049/R0842/001/FIN:REV	Default Transactions	Municipal Infrastructure	Transfers and Subsidies [Revenue - Non-exchange Re	21,015,900	21,378,800	22,382,000	
				<b>26,347,900</b>	<b>21,378,800</b>	<b>28,782,000</b>	
D0001/IR03195/F2766/X046/R0842/001/FIN:REV	Default Transactions	Local Government, Water and Related Service SETA	Transfers and Subsidies [Revenue - Non-exchange Re	77,617	81,731	86,063	
D0001/IR03133/F2690/X049/R0842/001/FIN:REV		CETA	Transfers and Subsidies [Revenue - Non-exchange Re	15,000,000			



D0001/IR05900/F4707/X024/R0842/001/FIN:REV	Default Transactions	Library Service	Transfers and Subsidies [Revenue - Non-exchange Re	368,550	388,083	408,652	
D0001/IR02310/F1169/X049/R0842/001/FIN:REV	Default Transactions	Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	Transfers and Subsidies [Revenue - Non-exchange Re	1,480,000	0	0	
D0001/IR02318/F1177/X049/R0842/001/FIN:REV	Default Transactions	Local Government Financial Management Grant [Schedule 5B]	Transfers and Subsidies [Revenue - Non-exchange Re	2,415,000	2,880,000	3,312,000	
D0001/IR02323/F0791/X049/R0842/001/FIN:REV	Default Transactions	Municipal Infrastructure	Transfers and Subsidies [Revenue - Non-exchange Re	1,106,100	1,125,200	1,178,000	
D0001/IR02344/F0041/X049/R0842/001/FIN:REV	Default Transactions	Equitable Share	Transfers and Subsidies [Revenue - Non-exchange Re	75,488,000	80,838,000	86,067,000	
				<b>95,935,267</b>	<b>85,313,014</b>	<b>91,051,714</b>	
O0001/IE00036/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	2,171,304	2,312,439	2,462,747	
O0001/IE00040/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	398	424	451	



O0001/IE00043/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	96,695	102,980	109,674	
O0001/IE00044/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	282,196	300,539	320,074	
O0001/IE00045/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	16,416	17,483	18,619	
O0001/IE00121/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE01526/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	136,797	145,689	155,159	
O0001/IE01530/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	22,876	24,363	25,947	
O0001/IE00595/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	12,506	13,318	14,184	
O0001/IE01533/F0041/X049/R0841/001/FIN:REV	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	4,575	4,873	5,189	
				<b>2,833,337</b>	<b>3,017,503</b>	<b>3,213,641</b>	
O0001/IE00573/F0041/X032/R0842/001/FIN:REV	Municipal Running Cost	Indigent Relief	Operational Cost [Expenditure]	2,948,400	3,104,665	3,269,212	<b>FBS</b>
O0001/IE00573/F0041/X132/R0842/001/FIN:REV	Municipal Running Cost	Indigent Relief	Operational Cost [Expenditure]	315,184	331,889	349,479	<b>FBS</b>
				<b>3,263,584</b>	<b>3,436,554</b>	<b>3,618,691</b>	
O1232-2/IE00061/F2494/X049/R0842/001/FIN:REV	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	0	0	0	



O1232-2/IE01581/F2494/X049/R0842/001/FIN:REV	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F2494/X049/R0842/001/FIN:REV	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	211	222	234	
				<b>211</b>	<b>222</b>	<b>234</b>	
<b>Totals for Municipal Standard CI : FIN:REV</b>				<b>6,097,131</b>	<b>6,454,279</b>	<b>6,832,566</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : FIN:SCM</b>							
O0001/IE00036/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	755,295	804,389	856,674	
O0001/IE00040/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	428	456	486	
O0001/IE00043/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	60,559	64,496	68,688	
O0001/IE00044/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	122,121	130,059	138,513	
O0001/IE00045/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	8,303	8,842	9,417	
O0001/IE00121/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	



O0001/IE00595/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	3,061	3,259	3,471	
O0001/IE01521/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,614	8,109	
O0001/IE01526/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	61,429	65,422	69,675	
O0001/IE01530/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE01533/F0041/X058/R0841/001/FIN:SCM	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	0	0	0	
<b>Totals for Municipal Standard CI : FIN:SCM</b>				<b>1,107,920</b>	<b>1,179,934</b>	<b>1,256,630</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : MMO:AUDT</b>							
O0001/IE00036/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	976,036	1,039,478	1,107,044	
O0001/IE00040/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	299	318	339	
O0001/IE00043/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	46,928	49,979	53,227	
O0001/IE00044/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	113,427	120,799	128,651	
O0001/IE00045/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	10,356	11,029	11,746	
O0001/IE00121/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	0	0	0	



O0001/IE01521/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	96,080	102,325	108,976	
O0001/IE01526/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	63,421	67,544	71,934	
O0001/IE01530/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	22,876	24,363	25,947	
O0001/IE01533/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	6,173	6,574	7,002	
O0001/IE00595/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,573	5,935	6,321	
O0001/IE00126/F0041/X081/R0841/001/MMO:AUDT	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	146,906	156,455	166,625	
				<b>1,488,075</b>	<b>1,584,800</b>	<b>1,687,812</b>	
O0001/IE00584/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Professional Bodies, Membership and Subscription	Operational Cost [Expenditure]	11,628	12,244	12,893	
O0001/IE00059/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	National	Operational Cost [Expenditure]	5,727	6,031	6,351	
O0001/IE00806/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Risk Management Programs	Operational Cost [Expenditure]	67,829	71,424	75,210	
O0001/IE00792/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Software Licences	Operational Cost [Expenditure]	85,271	89,791	94,550	
				<b>170,456</b>	<b>179,490</b>	<b>189,003</b>	
O0001/IE00677/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	8,163	8,595	9,051	





O0001/IE00685/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Internal Auditors	Contracted Services [Expenditure]	251,938	265,291	279,351	
O0001/IE00833/F2496/X081/R0842/001/MMO:AUDT	Municipal Running Cost	Audit Committee	Contracted Services [Expenditure]	135,659	142,849	150,420	
O1232-2/IE00060/F2496/X081/R0842/001/MMO:AUDT	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	13,566	14,285	15,042	
				<b>409,326</b>	<b>431,020</b>	<b>453,864</b>	
<b>Totals for Municipal Standard CI : MMO:AUDT</b>				<b>2,067,856</b>	<b>2,195,310</b>	<b>2,330,679</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : MMO:COMM</b>							
O0001/IE00036/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	519,820	553,609	589,593	
O0001/IE00040/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	22,098	23,535	25,065	
O0001/IE00044/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	85,058	90,587	96,475	
O0001/IE00045/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	5,104	5,436	5,789	
O0001/IE00121/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE01521/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	10,184	10,846	11,551	
O0001/IE01526/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	42,532	45,297	48,241	



O0001/IE01530/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00595/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,792	6,169	6,570	
O0001/IE00126/F0041/X054/R0841/001/MMO:COMM	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
				<b>780,263</b>	<b>830,980</b>	<b>884,994</b>	
O0001/IE00628/F2496/X054/R0842/001/MMO:COMM	Municipal Running Cost	Audio-visual Services	Contracted Services [Expenditure]	6,199	6,527	6,873	
O0001/IE00751/F2496/X054/R0842/001/MMO:COMM	Municipal Running Cost	Corporate and Municipal Activities	Operational Cost [Expenditure]	232,558	244,884	257,863	
O0001/IE00756/F2496/X054/R0842/001/MMO:COMM	Municipal Running Cost	Signs	Operational Cost [Expenditure]	15,756	16,591	17,470	
				<b>254,513</b>	<b>268,002</b>	<b>282,206</b>	
O0029-1/IE00651/F2496/X054/R0842/001/MMO:COMM	EC126_MMOMComm05_Website Development( Web Hosting, Maintanance Support)	Maintenace of Unspecified Assets	Contracted Services [Expenditure]	11,628	12,244	12,893	9,014
O1232-2/IE00060/F2496/X054/R0842/001/MMO:COMM	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	0	0	0	0
O1232-2/IE00061/F2496/X054/R0842/001/MMO:COMM	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	115	121	128	89
O1232-2/IE00144/F2496/X054/R0842/001/MMO:COMM	EC126_Workshops, Seminars and Subject Matter Training	Own Transport	Operational Cost [Expenditure]	486	512	539	377



O1232-2/IE01581/F2496/X054/R0842/001/M MO:COMM	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	0
O1239-1/IE00755/F2496/X054/R0842/001/M MO:COMM	EC126_MMOCComm03_Newsletter : Municipal Manager : Communication	Municipal Newsletters	Operational Cost [Expenditure]	14,285	15,042	15,839	11,074
O1345-1/IE00060/F2496/X054/R0842/001/M MO:COMM	EC126_MMOCComm01_Meetings and Workshops (IGR and LCF)	Accommodation	Operational Cost [Expenditure]	0	0	0	0
O1345-1/IE00677/F2496/X054/R0842/001/M MO:COMM	EC126_MMOCComm01_Meetings and Workshops (IGR and LCF)	Catering Services	Contracted Services [Expenditure]	3,876	4,081	4,298	3,005
O1345-1/IE01581/F2496/X054/R0842/001/M MO:COMM	EC126_MMOCComm01_Meetings and Workshops (IGR and LCF)	Air Transport	Operational Cost [Expenditure]	0	0	0	0
O1345-1/IE01583/F2496/X054/R0842/001/M MO:COMM	EC126_MMOCComm01_Meetings and Workshops (IGR and LCF)	Road Transport	Operational Cost [Expenditure]	0	0	0	0
				<b>30,390</b>	<b>32,001</b>	<b>33,697</b>	
NEW	CAMERA			10,000			
<b>Totals for Municipal Standard CI : MMO:COMM</b>				<b>1,075,166</b>	<b>1,130,983</b>	<b>1,200,897</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<u><b>Account</b></u>	Description		<u><b>Account Type</b></u>				
<b>Municipal Standard CI : MMO:CONC</b>							



O0001/IE00036/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,916,279	2,040,837	2,173,492	
O0001/IE00040/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	603	642	684	
O0001/IE00043/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	92,360	98,364	104,757	
O0001/IE00044/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	246,751	262,790	279,871	
O0001/IE00045/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	17,153	18,268	19,456	
O0001/IE00595/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	14,287	15,215	16,204	
O0001/IE01526/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	124,768	132,878	141,515	
O0001/IE01530/F0041/X045/R0841/001/MMO:CONC	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	17,157	18,272	19,460	
				2,429,358	2,587,267	2,755,439	
				2,429,358	2,587,267	2,755,439	
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : CON:GEN</b>							
O0001/IE07230/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Basic Salary	Remuneration of Councillors [Expenditure]	5,709,619	6,080,744	6,475,992	
O0001/IE00595/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	0	0	0	
O0001/IE00595/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	81,211	86,489	92,111	



O0001/IE07231/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Cell phone Allowance	Remuneration of Councillors [Expenditure]	461,184	491,161	523,087	
O0001/IE07238/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Travelling Allowance	Remuneration of Councillors [Expenditure]	135,894	144,727	154,134	
O0001/IE07240/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Medial Aid Benefits	Remuneration of Councillors [Expenditure]	0	0	0	
O0001/IE00586/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Remunerati on to Ward Committees	Operational Cost [Expenditure]	1,505,340	1,603,187	1,707,395	
O0001/IE07241/F0041/X044/R0841/001/MMO:CONC	Municipal Running Cost	Pension Fund Contributio	Remuneration of Councillors [Expenditure]	0	0	0	
<b>Totals for Municipal Standard CI : MMO:CONC</b>				<b>7,893,247</b>	<b>8,406,309</b>	<b>8,952,719</b>	
O0001/IE00059/F0041/X044/R0842/001/CON:GEN	Municipal Running Cost	National	Operational Cost [Expenditure]	43,328	46,145	49,144	
O0001/IE00677/F0041/X044/R0842/001/CON:GEN	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	20,000	21,300	22,685	
O0001/IE00677/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	4,214	4,488	4,780	
O0001/IE00703/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Transport Services	Contracted Services [Expenditure]	47,415	50,497	53,780	
O0001/IE00810/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Professiona l and Regulatory Bodies	Operational Cost [Expenditure]	809,368	861,977	918,006	<b>SALGA</b>
O0001/IE03752/F0041/X044/R0842/001/CON:GEN	Municipal Running Cost	Bursaries (Non-Employee)	Transfers and Subsidies [Expenditure]	25,000	26,625	28,356	



O0001/IE03752/F2496/X044/R0842/001/CON:GEN	Municipal Running Cost	Bursaries (Non-Employee)	Transfers and Subsidies [Expenditure]		0	0	
				<b>949,326</b>	<b>1,011,032</b>	<b>1,076,749</b>	
O1223-1/IE00836/F2496/X044/R0842/001/CON:GEN	EC126_CG7_Training of Councillors & Traditional Leaders	Commissions and Committees	Contracted Services [Expenditure]	175,000	184,275	194,042	
O1230-1/IE00636/F2496/X044/R0842/001/CON:GEN	EC126_CG6_Team Building (Year-end Function)	Event Promoters	Contracted Services [Expenditure]	81,139	85,439	89,967	
O1232-2/IE00060/F0041/X044/R0842/001/CON:GEN	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	412,326	434,179	457,190	
O1232-2/IE00061/F0041/X044/R0842/001/CON:GEN	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	10,752	11,322	11,922	
O1232-2/IE01581/F0041/X044/R0842/001/CON:GEN	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	2,815	2,964	3,121	
O1232-2/IE01583/F2496/X044/R0842/001/CON:GEN	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	116,240	122,400	128,888	
O1238-1/IE00628/F2496/X044/R0842/001/CON:GEN	EC126_CG1_Mayoral Imbizo	Audio-visual Services	Contracted Services [Expenditure]	0	0	0	
O1238-1/IE00657/F2496/X044/R0842/001/CON:GEN	EC126_CG1_Mayoral Imbizo	Plants, Flowers and Other Decorations	Contracted Services [Expenditure]	0	0	0	





O1238-1/IE00677/F2496/X044/R0842/001/CO N:GEN	EC126_CG1_Mayoral Imbizo	Catering Services	Contracted Services [Expenditure]	8,556	9,009	9,487	
O1238-1/IE00703/F2496/X044/R0842/001/CO N:GEN	EC126_CG1_Mayoral Imbizo	Transport Services	Contracted Services [Expenditure]	150,000	157,950	166,321	
O1238-1/IE00754/F0041/X044/R0842/001/CO N:GEN	EC126_CG1_Mayoral Imbizo	Gifts and Promotional Items	Operational Cost [Expenditure]	4,475	4,712	4,962	
O1238-1/IE00754/F2496/X044/R0842/001/CO N:GEN	EC126_CG1_Mayoral Imbizo	Gifts and Promotional Items	Operational Cost [Expenditure]	0	0	0	
O1238-2/IE00657/F2496/X044/R0842/001/CO N:GEN	EC126_CG3_War Room Meetings	Plants, Flowers and Other Decorations	Contracted Services [Expenditure]	2,012	2,118	2,231	
O1238-2/IE00677/F2496/X044/R0842/001/CO N:GEN	EC126_CG3_War Room Meetings	Catering Services	Contracted Services [Expenditure]	0	0	0	
O1238-2/IE00754/F2496/X044/R0842/001/CO N:GEN	EC126_CG3_War Room Meetings	Gifts and Promotional Items	Operational Cost [Expenditure]	0	0	0	
O1238-3/IE00677/F2496/X044/R0842/001/CO N:GEN	EC126_CG4_MPAC Road Show	Catering Services	Contracted Services [Expenditure]	40,172	42,301	44,543	
O1238-3/IE00703/F2496/X044/R0842/001/CO N:GEN	EC126_CG4_MPAC Road Show	Transport Services	Contracted Services [Expenditure]	28,642	30,160	31,758	
<b>NEW</b>	STATIONERY			50,000			
O1240-1/IE00677/F0041/X044/R0842/001/CO N:GEN	WOMANC CAUCUS	Catering Services		1,500	1,580	1,663	



O1240-1/IE00671/F0041/X044/R0842/001/CON:GEN	WOMANC CAUCUS	Transport Services		1,000	1,053	1,109	
O1240-1/IE00754/F0041/X044/R0842/001/CON:GEN	WOMANC CAUCUS	Gifts and Promotional Items		7,500	7,898	8,316	
O0006-1/IE00677/F0041/X044/R0842/001/CON:GEN	PETITIONS COMMITTEE	Catering Services		1,500	1,580	1,663	
O0006-1/IE00703/F0041/X044/R0842/001/CON:GEN	PETITIONS COMMITTEE	Transport Services		1,000	1,053	1,109	
O1240-2/IE00677/F0041/X044/R0842/001/CON:GEN	MORAL REGENERATION MOVEMENT	Catering Services		25,000	26,325	27,720	
O1240-2/IE00703/F0041/X044/R0842/001/CON:GEN	MORAL REGENERATION MOVEMENT	Transport Services		1,000	1,053	1,109	
O1243-1/IE00703/F0041/X044/R0842/001/CON:GEN	LOCAL INITIATION FORUM	Catering Services		2,500	2,633	2,772	
O1243-1/IE00677/F0041/X044/R0842/001/CON:GEN	LOCAL INITIATION FORUM	Transport Services		2,500	2,633	2,772	
O1238-3/IE00754/F2496/X044/R0842/001/CON:GEN	EC126_CG4_MPAC Road Show	Gifts and Promotional Items	Operational Cost [Expenditure]	0	0	0	
O1293-1/IE00677/F2496/X044/R0842/001/CON:GEN	EC126_CG5_Service Delivery Program (Project Hand-over)	Catering Services	Contracted Services [Expenditure]	0	0	0	
O1293-1/IE00703/F2496/X044/R0842/001/CON:GEN	EC126_CG5_Service Delivery Program (Project Hand-over)	Transport Services	Contracted Services [Expenditure]	0	0	0	



O1293-1/IE00754/F2496/X044/R0842/001/CON:GEN	EC126_CG5_Service Delivery Program (Project Hand-over)	Gifts and Promotional Items	Operational Cost [Expenditure]	249	262	276	
				1,125,876	1,132,897	1,192,941	
<b>Totals for Municipal Standard CI : CON:GEN</b>				<b>9,968,449</b>	<b>10,550,238</b>	<b>11,222,408</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
<b>Municipal Standard CI : MMO:EXCO</b>							
O0001/IE07206/F0041/X044/R0841/001/MMO:EXCO	Municipal Running Cost	Basic Salary	Remuneration of Councillors [Expenditure]	1,408,562	1,483,216	1,561,827	
O0001/IE07207/F0041/X044/R0841/001/MMO:EXCO	Municipal Running Cost	Cell phone Allowance	Remuneration of Councillors [Expenditure]	113,997	120,039	126,401	
O0001/IE00595/F0041/X044/R0841/001/MMO:EXCO	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	12,636	13,306	14,011	
<b>Totals for Municipal Standard CI : MMO:EXCO</b>				<b>1,535,195</b>	<b>1,616,561</b>	<b>1,702,238</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : MMO:MAYR</b>							
O0001/IE07218/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Basic Salary	Remuneration of Councillors [Expenditure]	650,267	692,534	737,549	
O0001/IE07219/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Cell phone Allowance	Remuneration of Councillors [Expenditure]	28,824	30,698	32,693	



O0001/IE00595/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	0	0	0	
O0001/IE07226/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Travelling Allowance	Remuneration of Councillors [Expenditure]	216,755	230,845	245,849	
O0001/IE07228/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Medial Aid Benefits	Remuneration of Councillors [Expenditure]	0	0	0	
O0001/IE07229/F0041/X044/R0841/001/MMO:MAYR	Municipal Running Cost	Pension Fund Contributio	Remuneration of Councillors [Expenditure]	0	0	0	
<b>Totals for Municipal Standard CI : MMO:MAYR</b>				<b>895,846</b>	<b>954,076</b>	<b>1,016,091</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : MMO:MMO</b>							
O0001/IE00128/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Basic Salary	Employee Related Cost [Expenditure]	1,810,018	1,927,669	2,052,967	
O0001/IE00130/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Bonuses	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00132/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	293	312	332	
O0001/IE00121/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00136/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00138/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	0	0	0	



O0001/IE01573/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00595/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	12,122	12,910	13,749	
O0001/IE00140/F0041/X045/R0841/001/MMO:MMO	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	17,544	18,685	19,899	
				<b>1,853,318</b>	<b>1,973,783</b>	<b>2,102,079</b>	
O0001/IE00008/F2496/X045/R0842/001/MMO:MMO	Municipal Running Cost	Legal Advice and Litigation	Contracted Services [Expenditure]	650,000	684,450	720,726	
O0001/IE00059/F2496/X045/R0842/001/MMO:MMO	Municipal Running Cost	National	Operational Cost [Expenditure]	37,543	39,532	41,628	
O0001/IE00663/F2496/X045/R0842/001/MMO:MMO	Municipal Running Cost	Safeguard and Security	Contracted Services [Expenditure]	1,162,791	1,224,419	1,289,313	
O0001/IE00677/F2496/X045/R0842/001/MMO:MMO	Municipal Running Cost	Catering Services	Contracted Services [Expenditure]	14,262	15,018	15,814	
				<b>1,864,595</b>	<b>1,963,419</b>	<b>2,067,480</b>	
O1232-2/IE00060/F2496/X045/R0842/001/MMO:MMO	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	267,824	282,019	296,966	
O1232-2/IE00061/F2496/X045/R0842/001/MMO:MMO	EC126_Workshops, Seminars and Subject Matter Training	Daily Allowance	Operational Cost [Expenditure]	1,714	1,805	1,900	
O1232-2/IE01581/F2496/X045/R0842/001/MMO:MMO	EC126_Workshops, Seminars and Subject Matter Training	Air Transport	Operational Cost [Expenditure]	0	0	0	
O1232-2/IE01583/F2496/X045/R0842/001/MMO:MMO	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	122,507	129,000	135,837	



O1336-2/IE00843/F2496/X045/R0842/001/M MO:MMO	EC126_MMO04_Development of municipal Strategy	Organisational	Contracted Services [Expenditure]	17,500	18,428	19,404	
O1491-1/IE00060/F2496/X045/R0842/001/M MO:MMO	EC126_MMO07_Strategic Planning Sessions	Accommodation	Operational Cost [Expenditure]	125,000	131,625	138,601	
O1491-1/IE00571/F2496/X045/R0842/001/M MO:MMO	EC126_MMO07_Strategic Planning Sessions	Hire Charges	Operational Cost [Expenditure]	225,000	236,925	249,482	
O1491-1/IE00636/F2496/X045/R0842/001/M MO:MMO	EC126_MMO07_Strategic Planning Sessions	Event Promoters	Contracted Services [Expenditure]	0	0	0	
O1491-1/IE00677/F2496/X045/R0842/001/M MO:MMO	EC126_MMO07_Strategic Planning Sessions	Catering Services	Contracted Services [Expenditure]	4,791	5,045	5,312	
				<b>764,337</b>	<b>804,846</b>	<b>847,503</b>	
<b>Totals for Municipal Standard CI : MMO:MMO</b>				<b>4,482,249</b>	<b>4,742,048</b>	<b>5,017,062</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b><u>Account</u></b>	<b>Description</b>		<b><u>Account Type</u></b>				
<b>Municipal Standard CI : MMO:RISK</b>							
O0001/IE00036/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	211,779	225,545	240,205	
O0001/IE00040/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00044/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	34,198	36,421	38,789	





O0001/IE00045/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,052	2,185	2,327	
O0001/IE00121/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00126/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	2,974	3,167	3,373	
O0001/IE00595/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	1,900	2,023	2,155	
O0001/IE01526/F0041/X056/R0841/001/MMO:RISK	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	17,099	18,211	19,394	
O0001/IE01530/F0041/X067/R0841/001/MMO:RISK	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	0	0	0	
<b>Totals for Municipal Standard CI : MMO:RISK</b>				<b>270,102</b>	<b>287,659</b>	<b>306,356</b>	
<b>Municipal Standard CI : MMO:SPKR</b>							
O0001/IE00595/F0041/X044/R0841/001/MMO:SPKR	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	0	0	0	
O0001/IE00816/F0041/X044/R0841/001/MMO:SPKR	Municipal Running Cost	Basic Salary	Remuneration of Councillors [Expenditure]	685,802	722,150	760,424	
O0001/IE00817/F0041/X044/R0841/001/MMO:SPKR	Municipal Running Cost	Cell phone Allowance	Remuneration of Councillors [Expenditure]	28,499	30,010	31,600	
<b>Totals for Municipal Standard CI : MMO:SPKR</b>				<b>714,302</b>	<b>752,160</b>	<b>792,024</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							



Budgets	NGQUSHWA MUNICIPALITY						
Account	Description		Account Type				
<b>Municipal Standard CI : MMO:SPU</b>							
O0001/IE00036/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	633,652	674,839	718,704	
O0001/IE00040/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	199	212	226	
O0001/IE00043/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	77,386	82,416	87,773	
O0001/IE00044/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	106,716	113,652	121,040	
O0001/IE00045/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	6,209	6,613	7,043	
O0001/IE00121/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE01526/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	51,743	55,107	58,688	
O0001/IE01530/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	11,781	12,547	13,363	
O0001/IE00595/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	4,790	5,102	5,433	
O0001/IE00126/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
				<b>982,050</b>	<b>1,045,883</b>	<b>1,113,866</b>	
O0001/IE00692/F0041/X045/R0841/001/MMO:SPU	Municipal Running Cost	Personnel and Labour	Contracted Services [Expenditure]	105,939	111,554	117,466	
O0001/IE00703/F2496/X045/R0842/001/MMO:SPU	Municipal Running Cost	Transport Services	Contracted Services [Expenditure]	84,117	88,575	93,269	



				190,056	200,129	210,736	
O1293-2/IE00677/F2496/X045/R0842/001/M MO:SPU	EC126_SPU1_Co-ordination of National days	Catering Services	Contracted Services [Expenditure]	40,000	42,120	44,352	
O1293-2/IE00703/F2496/X045/R0842/001/M MO:SPU	EC126_SPU1_Co-ordination of National days	CETA	Contracted Services [Expenditure]	10,000,000		0	
O1293-3/IE00628/F2496/X045/R0842/001/M MO:SPU	EC126_SPU4_Support of Vulnerable Groups	Audio-visual Services	Contracted Services [Expenditure]	0	0	0	
O1293-3/IE00677/F2496/X045/R0842/001/M MO:SPU	EC126_SPU4_Support of Vulnerable Groups	Catering Services	Contracted Services [Expenditure]	35,423	37,300	39,277	
O1293-3/IE00683/F2496/X045/R0842/001/M MO:SPU	EC126_SPU4_Support of Vulnerable Groups	Hygiene Services	Contracted Services [Expenditure]	0	0	0	
O1293-3/IE00703/F2496/X045/R0842/001/M MO:SPU	EC126_SPU4_Support of Vulnerable Groups	Transport Services	Contracted Services [Expenditure]	10,161	10,700	11,267	
O1293-3/IE00754/F2496/X045/R0842/001/M MO:SPU	EC126_SPU4_Support of Vulnerable Groups	Gifts and Promotional Items	Operational Cost [Expenditure]	124,307	130,895	137,832	
O1335-1/IE00549/F2496/X045/R0842/001/M MO:SPU	EC126_SPU3_Sport Development	Achievements and Awards	Operational Cost [Expenditure]	59,126	62,260	65,559	
O1335-1/IE00628/F2496/X045/R0842/001/M MO:SPU	EC126_SPU3_Sport Development	Audio-visual Services	Contracted Services [Expenditure]	1,053	1,109	1,168	
O1335-1/IE00677/F2496/X045/R0842/001/M MO:SPU	EC126_SPU3_Sport Development	Catering Services	Contracted Services [Expenditure]	5,233	5,511	5,803	
O1335-1/IE00703/F2496/X045/R0842/001/M MO:SPU	EC126_SPU3_Sport Development	Transport Services	Contracted Services [Expenditure]	10,267	10,811	11,384	



O1335-1/IE00754/F2496/X045/R0842/001/M MO:SPU	EC126_SPU3_Sport Development	Gifts and Promotional Items	Operational Cost [Expenditure]	8,789	9,255	9,745	
O1336-1/IE00016/F2496/X045/R0842/001/M MO:SPU	EC126_SPU2_Review of SPU Strategy	Business and Financial Management	Contracted Services [Expenditure]	75,000	78,975	83,161	
O1336-1/IE00677/F2496/X045/R0842/001/M MO:SPU	EC126_SPU2_Review of SPU Strategy	Catering Services	Contracted Services [Expenditure]	0	0	0	
O1336-1/IE00703/F2496/X045/R0842/001/M MO:SPU	EC126_SPU2_Review of SPU Strategy	Transport Services	Contracted Services [Expenditure]	0	0	0	
				<b>10,369,359</b>	<b>388,935</b>	<b>409,549</b>	
C0225-1/IA01952/F0041/X045/R0842/001/M MO:SPU	EC126_CAP SPU 1_Establishment of Youth Advisory Centres	Outsourced	Construction Work-in-progress [Assets - Non-current]	0	0	0	
				<b>0</b>	<b>0</b>	<b>0</b>	
<b>Totals for Municipal Standard CI : MMO:SPU</b>				<b>11,541,465</b>	<b>1,634,947</b>	<b>1,734,150</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : TEC:ELCT</b>							
O0001/IE00036/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	1,091,422	1,162,364	1,237,918	
O0001/IE00040/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	99	106	113	
O0001/IE00043/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	75,415	80,317	85,537	



O0001/IE00044/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	202,257	215,403	229,405	
O0001/IE00045/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	10,683	11,377	12,117	
O0001/IE00121/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE00126/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE01521/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	24,486	26,077	27,772	
O0001/IE01526/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	89,022	94,809	100,971	
O0001/IE00595/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	5,669	6,037	6,430	
O0001/IE01530/F0041/X032/R0841/001/TEC:ELCT	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	16,013	17,054	18,163	
				<b>1,591,299</b>	<b>1,694,733</b>	<b>1,804,891</b>	
O1954-1/IE00651/F0044/X032/R0842/001/TEC:ELCT	EC126_ELEC1_Maintenance of Streetlights	Maintenance of Unspecified Assets	Contracted Services [Expenditure]	226,395	238,394	251,029	
O2319-1/IE01583/F0044/X032/R0842/001/TEC:ELCT	EC126_ELEC1_Maintenance of Streetlights	Road Transport	Operational Cost [Expenditure]	0	0	0	
O2774-1/IE00649/F0044/X032/R0842/001/TEC:ELCT	EC126_ELEC2_Electrification Municipal Buildings	Maintenance of Buildings and Facilities	Contracted Services [Expenditure]	0	0	0	



O2774-1/IE00649/F2494/X032/R0842/001/TEC:ELCT	EC126_ELEC2_Electrification Municipal Buildings	Maintenance of Buildings and Facilities	Contracted Services [Expenditure]	131,000	137,943	145,254	
				<b>357,395</b>	<b>376,337</b>	<b>396,283</b>	
C0015-1/IA01952/F0786/X032/R0842/001/TEC:ELCT	EC126_CAP ELEC 1_Electrification programme	Outsourced	Construction Work-in-progress [Assets - Non-current]	5,332,000	0	6,400,000	
				<b>5,332,000</b>	<b>0</b>	<b>6,400,000</b>	
<b>Totals for Municipal Standard CI : TEC:ELCT</b>				<b>7,280,694</b>	<b>2,071,070</b>	<b>8,601,174</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : TEC:PMU</b>							
O0001/IE00036/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	973,090	1,036,341	1,103,703	
O0001/IE00040/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	398	424	451	
O0001/IE00043/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	65,952	70,239	74,805	
O0001/IE00044/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	117,670	125,318	133,464	
O0001/IE00045/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	14,421	15,358	16,357	
O0001/IE00121/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	16,471	17,541	18,682	





O0001/IE00126/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	110,263	117,430	125,063	
O0001/IE00751/F0044/X099/R0842/001/TEC:PMU	Municipal Running Cost	Corporate and Municipal Activities	Operational Cost [Expenditure]	0	0	0	
O0001/IE01526/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	57,739	61,492	65,489	
O0001/IE00595/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	15,072	16,052	17,095	
O0001/IE01530/F0041/X099/R0841/001/TEC:PMU	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	68,629	73,089	77,840	
				<b>1,439,704</b>	<b>1,533,285</b>	<b>1,632,949</b>	
O1232-2/IE01583/F0044/X099/R0842/001/TEC:PMU	EC126_Workshops, Seminars and Subject Matter Training	Road Transport	Operational Cost [Expenditure]	0	0	0	
O1522-1/IE00758/F0791/X099/R2145/001/TEC:PMU	EC126_OPEX PMU 1_Surfacing of Peddie Town Street	Tenders	Operational Cost [Expenditure]	0	0	0	
O1593-2/IE00144/F0791/X006/R2138/001/TEC:PMU	EC126_OPEX PMU 6_Wesley Community hall	Own Transport	Operational Cost [Expenditure]	122,671	642,912	654,472	
O1593-3/IE00144/F0791/X006/R2138/001/TEC:PMU	EC126_OPEX PMU GCI_Gcini	Own Transport	Operational Cost [Expenditure]	0	0	0	
				<b>122,671</b>	<b>642,912</b>	<b>654,472</b>	
C0040-6/IA02544/F0791/X116/R2137/001/TEC:ROAD	PRUDOE INTERNAL STREET			200,000			



C0230-10/IA01952/F0791/X006/R2140/001/TEC:PMU	Shushu Community hall			500,000	1,500,000	1,500,000	
C0230-11/IA01952/F0791/X006/R2144/001/TEC:PMU	Gquma Community hall			500,000	1,500,000	1,500,000	
C0230-12/IA01952/F0791/X006/R2140/001/TEC:PMU	Bhele Community hall			500,000	1,500,000	2,284,561	
C0040-23/IA01952/F0791/X116/R2139/001/TEC:PMU	Qugqwala Internal road			2,200,000	1,400,000	500,000	
C0040-20/IA01952/F1182/X116/R2146/001/TEC:PMU	Runlets internal roads			2,200,000	1,100,000	1,748,657	
C0040-21/IA01952/F0791/X116/R2138/001/TEC:PMU	Hamburg Internal Roads			2,200,000	1,801,525	1,801,525	
C0040-22/IA01952/F0791/X116/R2138/001/TEC:PMU	Wesley Internal Roads			2,200,000	2,200,000	2,200,000	
C0040-24/IA01952/F0791/X120/R2137/001/TEC:PMU	Mphekweni Internal Roads			2,200,000	1,687,961	1,801,525	
<b>NEW</b>	EC126_CAP PMU 1_Surfacing of Peddie Town Street <b>Fase 2</b>	Outsourced	Construction Work-in-progress [Assets - Non-curren	4,000,000			
C0120-1/IA01952/F0791/X116/R2145/001/TEC:PMU	EC126_CAP PMU 1_Surfacing of Peddie Town Street	Outsourced	Construction Work-in-progress [Assets - Non-curren	4,315,900	4,163,300	4,254,079	
C0040-12/IA01952/F0791/X099/R2144/001/TEC:PMU	EC126_CAP PMU 3_Qamnyana Internal streets	Outsourced	Construction Work-in-progress [Assets - Non-curren	0			



C0040-14/IA01952/F0791/X116/R2142/001/TEC:PMU	EC126_CAP PMU CROSS_Crossroads		Construction Work-in-progress [Assets - Non-curren	0	0	0	
C0040-15/IA01952/F0791/X116/R2137/001/TEC:PMU	EC126_CAP PMU MGA_Mgabab	Outsourced	Construction Work-in-progress [Assets - Non-curren	0	941,462	991,359	
C0040-4/IA01952/F0791/X116/R2136/001/TEC:PMU	EC126_CAP PMU 2_Newtondale Internal streets	Outsourced	Construction Work-in-progress [Assets - Non-curren	0	0	0	
C0040-5/IA01952/F0791/X099/R2143/001/TEC:PMU	EC126_CAP PMU 4_Cisira Internal streets	Outsourced	Construction Work-in-progress [Assets - Non-curren	0	0	0	
C0230-7/IA01952/F0791/X006/R2141/001/TEC:PMU	EC126_CAP PMU 5_Mdolomba Community Hall	Outsourced	Construction Work-in-progress [Assets - Non-curren	0	0	0	
C0230-1/IA01952/F0791/X006/R2138/001/TEC:PMU	EC126_CAP PMU GCI_Gcinis	Outsourced	Construction Work-in-progress [Assets - Non-curren	0	0	0	
C0230-8/IA01952/F0791/X006/R2138/001/TEC:PMU				0	0	0	
C0040-7/IA02544/F0791/X116/R2142/001/TEC:PMU	TUKU C INTERNAL ROAD			0	0	0	
C0040-11/IA01952/F0791/X116/R2136/001/TEC:ROAD	MABALENI INTERNAL ROAD			0	0	0	
C0040-6/IA01952/F0791/X116/R2139/001/TEC:ROAD	THYATA INTERNAL ROAD			0	0	0	
C0040-9/IA02544/F0791/X116/R2138/001/TEC:ROAD	BINGQALA INTERNAL ROAD			0	0	0	



C0245-1/IA01952/F0791/X125/R2136/001/TEC:PMU	HAMBURG SPORTSFIELD			0	0	0	
				21,015,900	17,794,248	18,581,706	
<b>Totals for Municipal Standard CI : TEC:PMU</b>				<b>22,578,275</b>	<b>19,970,445</b>	<b>20,869,126</b>	
Sage Evolution (Registered to Ngqushwa Local Municipality )							
Budgets							
<b>Account</b>	<b>Description</b>		<b>Account Type</b>				
<b>Municipal Standard CI : TEC:ROAD</b>							
O0001/IE00036/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Basic Salary and Wages	Employee Related Cost [Expenditure]	4,459,852	4,749,743	5,058,476	
O0001/IE00040/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	504	536	571	
O0001/IE00043/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	149,315	159,021	169,357	
O0001/IE00044/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	695,670	740,889	789,047	
O0001/IE00045/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	44,459	47,349	50,427	
O0001/IE00121/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	13,341	14,209	15,132	
O0001/IE00126/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	76,233	81,188	86,465	
O0001/IE01521/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Housing Benefits	Employee Related Cost [Expenditure]	7,150	7,614	8,109	
O0001/IE01526/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Bonus	Employee Related Cost [Expenditure]	367,923	391,838	417,308	



O0001/IE01530/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Leave Pay	Employee Related Cost [Expenditure]	57,191	60,908	64,867	
O0001/IE01533/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Long Service Award	Employee Related Cost [Expenditure]	3,431	3,654	3,892	
O0001/IE03969/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Non Structured	Employee Related Cost [Expenditure]	114,381	121,816	129,734	
O0001/IE06076/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Basic Salary	Employee Related Cost [Expenditure]	823,477	877,003	934,008	
O0001/IE06112/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Bonuses	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE06138/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Bargaining Council	Employee Related Cost [Expenditure]	105	112	120	
O0001/IE06203/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Medical	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE06227/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Pension	Employee Related Cost [Expenditure]	0	0	0	
O0001/IE06260/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Unemployment Insurance	Employee Related Cost [Expenditure]	2,041	2,174	2,315	
O0001/IE06821/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Cellular and Telephone	Employee Related Cost [Expenditure]	78,404	83,501	88,928	
O0001/IE00595/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Skills Development Fund	Operational Cost [Expenditure]	22,893	24,381	25,966	
O0001/IE06912/F0041/X116/R0841/001/TEC:ROAD	Municipal Running Cost	Travel or Motor Vehicle	Employee Related Cost [Expenditure]	274,514	292,358	311,361	
				<b>7,190,886</b>	<b>7,658,294</b>	<b>8,156,083</b>	
O1232-2/IE00060/F0044/X116/R0842/001/TEC:ROAD	EC126_Workshops, Seminars and Subject Matter Training	Accommodation	Operational Cost [Expenditure]	112,996	118,985	125,291	



O2025-1/IE00534/F2494/X116/R0842/001/TEC:ROAD	EC126_ROAD1_Repairs & Maint Roads : Roads	Materials and Supplies	Inventory Consumed [Expenditure]	0	0	0	
O0001/IE00545/F2496/X116/R0842/001/TEC:ROAD		Rental Plant & Machinery		0	0	0	
O2390-1/IE00534/F2494/X116/R0842/001/TEC:ROAD	EC126_ROAD1_Repairs & Maint Roads : Roads	Materials and Supplies	Inventory Consumed [Expenditure]	500,000	526,500	554,405	
O2390-2/IE00144/F0046/X116/R0842/001/TEC:ROAD	EC126_ROAD1_Repairs & Maint Roads : Roads	Own Transport	Operational Cost [Expenditure]	124,103	130,679	137,606	
O2508-1/IE00534/F2494/X140/R0842/001/TEC:ROAD	EC126_ROAD1_Repairs & Maint Roads : Stormwater	Materials and Supplies	Inventory Consumed [Expenditure]	0	0	0	
				<b>737,099</b>	<b>776,164</b>	<b>817,302</b>	
<b>NEW</b>	JUBISA			1,200,000			
<b>NEW</b>	GLENMORE			700,000			
C0038-2/IA00092/F0791/X116/R0842/001/TEC:ROAD	EC126_CAP ROAD 1_Road signage	Acquisitions	Property, Plant and Equipment [Assets - Non-current]	100,000	105,300	110,881	
				<b>2,000,000</b>	<b>105,300</b>	<b>110,881</b>	
<b>Totals for Municipal Standard CI : TEC:ROAD</b>				<b>9,927,985</b>	<b>8,539,758</b>	<b>9,084,266</b>	
<b>Totals</b>		<b>INCOME</b>		<b>170,561,265</b>	<b>157,507,591</b>	<b>173,342,727</b>	
		<b>EXPENDITURE</b>		<b>137,890,697</b>	<b>133,848,238</b>	<b>142,183,214</b>	





		<b>CAPITAL</b>		<b>32,670,568</b>	<b>22,435,522</b>	<b>29,868,967</b>	
				<b>0</b>	<b>-</b>	<b>-</b>	
					<b>1,223,831</b>	<b>1,290,545</b>	
			<b>NON-CASH ITEMS</b>	<b>17,222,445</b>	<b>18,135,234</b>	<b>19,096,402</b>	
			<b>CAPITAL OWN FUNDS</b>				
				<b>17,222,445</b>	<b>18,135,234</b>	<b>19,096,402</b>	
				<b>-</b>	<b>-</b>	<b>-</b>	
				<b>17,222,444</b>	<b>19,359,065</b>	<b>20,386,947</b>	

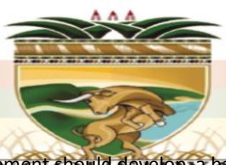


## 2017/2018 Audit Action Pla

COAF #	EXC #	Exception Heading	Summary of Finding	Nature	Suggested Control Improvements	Directorate	HOD	Responsible Official	Time Line
01	1	<b>AFS Review:</b> The financial statements submitted for audit were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.	Material misstatements of current assets / liabilities/ revenue / expenditure / disclosure items identified by the auditors in the submitted financial statements were subsequently corrected , resulting in the financial statements receiving an unqualified audit opinion.	Internal Controls	1, Management should develop Bi-Annual Financial Statements. 2, The Bi-Annual Financials as well as the Annual Financial statements should be subjected to quality reviews by BTO, Internal Audit and Audit Committee	Budget and treasury	V Makedama	Chief Financial Officer	1. 30 April 2018 2. 30 May 2018 and 30 Aug 32018
05	2	<b>Expenditure:</b> payments not paid within 30 days.	During the audit of operating expenditure, it was noted that the following payments were made after 30 days of the receipt of the invoice:  1. Gloriaan Constructions CC 2. Amanguta'mahle Trading 3. Narveda Trading 2 4. Amanguta'mahle Trading 5. University of Fort Hare 6. University of Pretoria 7. Lateral Unison Insurance	Internal control	1. Document Movement Register be implemented to record all in coming and outgoing Invoices from various departments. 2, A central point where invoices are to be received established. 3. Suppliers to be made aware of the wherein they should direct their invoices to the Institution.	Budget and Treasury	V Makedama	Chief Financial Officer	1. 28 Feb 2018 2. 31 Marc 2018 3. 31 March 2018



			Broker 8. Gcida Travel enterprise CC						
03	3	<b>Employee related costs:</b> Performance reviews only done for one quarter in 2016/17 financial year.	Performance reviews only done for one quarter in 2016/17 financial year.	Internal Controls	1. Management to undertake the outstanding PMS reviews for 2016/17 . 2. PMS Review dates for the 2018/19 financial year be included in the Institutional Calender 3. Outside stakeholders (i.e. Panel members) be sent the municipality's programme or proposed dates for upcoming PMS reviews to allow for proper planning 4. PMS Reviews for the 2017/18 financial year to be completed by 30 July 2018	Office of the municipal Manager	Mrs M.P Mpahlwa	X Maswana	1. 2018-06-30 2. 2018-06-30 3. 2018-07-30 4. 2018-07-30
03	4	<b>Employee related costs:</b> Performance evaluation panel not in terms of the regulation 2794) of Municipal Performance regulations	As per inspection of the attendance register of quarter one performance reviews for managers directly accountable to the municipal manager it was noted that a member of the mayoral or executive committee was not present and further the municipal manager from another municipality was also not present.	Internal Controls	Management should ensure they comply with the Municipal Performance regulation 27(4) e) in terms of which they must establish a performance evaluation panel that constitutes the absence of a performance audit committee, member of the mayoral or executive committee and Municipal manager from another municipality.  Performance reviews must be done for the municipal manager and senior managers to ensure that performance is monitored regularly and appropriate measures can be taken f	Office of the municipal Manager	Mrs M.P Mpahlwa	X Maswana	30th June 2018



03	5	<b>Employee related costs:</b> No basis for the amount of travel allowance paid to technicians, middle and senior managers	During the audit work performed in subsistence and travel allowance it was noted that an amount of R 5 887.54 is paid monthly to managers, however this amount could not be agreed to the approved subsistence and travel policy, furthermore the amount of travel allowance is increased each year by the salary increment published in SALGA circular.	Internal control	Management should develop a basis of how travel allowance that is paid to each technician, middle or senior is calculation to ensure that qualifying employees receive travel allowance that is an equivalent reflection of their employment position. A clear policy outlining the basis for granting car/travel allowance to all municipal officials.	Corporate Services	Mkuseli Mxekezo	Director Corporate Services.	31-Mar-18
03	6	<b>Employee related costs:</b> No letter from MEC approving the extension of action director of community services.	The acting director of Community services acted for a period of more than 3 months, then the acting period was extended for a further period of more than 3 months, but as per inspection of the employee file of the acting director of community services, it was noted that no letter was obtained from the MEC approving his extension.	Internal Controls	It is recommended that that when an acting period of a person that is acting in a position of a senior manager or municipal manager is extended for an extended period of more than 3 months, a letter from the MEC local government which approves the extension must be obtained.	Corporate Services	Mkuseli Mxekezo	Director Corporate Services.	Continueos
14	7	<b>Procurement and Contract management:</b> Application of SCM regulation 32	The municipality procured Siya and Aya from I Ngquza Hill Local municipality, for electrification of 9 villages. This was procures through application of section 32 of SCM regulation; however these contracts were not validly procured by other organs of the state as they have resulted in irregularities. Further Siya and Aya had a valid tax clearance from SARS certifying that the tax affairs of Siya and Aya are not in order.	Compliance	Management should ensure that all contracts procured through SCM regulation 32 are validly procured by the other organs of the state by developing and implementing a checklist to be reviewed and signed-off by a senior official.	Budget and Treasury	V Makedama	Chief Financial Officer	On going



18	8	<b>Procurement and contract management:</b> Prohibited suppliers trading with the municipality.	The following award was made to suppliers prohibited from doing business with the public sector.  > Supplier name - Bomasoka Trading > Amount - R 8 000 > Entity status - In Business	Compliance	Management should ensure that each supplier is checked against the National Treasury database for prohibited suppliers before being awarded. A checklist be included as part of the evaluation criterion during the evaluation of bids. The checklist is to confirm that suppliers under evaluation have been confirmed or check against national treasury database for prohibited suppliers and inhouse Restricted suppliers database	Budget and Treasury	V Makedama	Chief Financial Officer	On going
14	9	<b>Procurement and Contract Management:</b> Suppliers in service of other state institutions	23 awards worth a total value of R 7 265 247.91 were made to suppliers who are in the service of other state institutions.  Refer to the detailed audit findings for further details.	Compliance	Maintain a database of Suppliers who have in the past submitted false declarations and flag such suppliers on the supplier database so as to ensure that quotations are not accepted from these service providers.	Budget and Treasury	V Makedama	Chief Financial Officer	On going
18	10	<b>Procurement and contract management:</b> Awards to suppliers in which partners or associates of employees, and POB/ members of AA has an interest	During the audit work performed the following exceptions with a total value of R 3 356 881.88 were identified: > Supplier with interest (Interest other) > Suppliers which close family members of employees and POB/ members of AA has an interest. > Suppliers with no VAT numbers > Suppliers with no physical addresses only PO Box > Suppliers with duplicate information	Compliance	SCM Section should maintain a Database of all municipal officials that have business interest. The said database should be consulted every time an award is made to a supplier to ensure that there is no conflict of interest.	Budget and Treasury	V Makedama	Chief Financial Officer	



02	11	<b>AOPO:</b> Pro- active review of 17/18 SDBIP	<p>During the audit a number of findings were identified where the SMART criteria as required by the Framework for Managing Programme Performance Information (FMPPi) were not applied.</p> <p>Refer to the detailed audit findings for the detailed list of findings identified.</p>	Measurability	Management should ensure that indicators and targets are SMART. The SDBIP and the Adjusted SDBIP Should be reviewed by both Internal Audit and Audit Committee before approval by Council	Office of the municipal Manager	Mrs M.P Mpahlwa	Strategic Manager	28-Feb-18
04	12	<b>AOPO:</b> Adjustment of the SDBIP not in accordance with budget process.	<p>During the audit it was noted that the SDBIP was adjusted not in accordance with the budget adjustment processes as it was approved by council on the 28th of June 2016 6 Months after the adjustment budget was approved.</p> <p>Further changes were made to the nature of the indicators and targets making targets aligned to the actual achievement rather than being predetermined and performance being measured against those predetermined indicators and targets.</p> <p>Refer to the detailed audit findings for the detailed list of changes identified.</p>	Usefulness and Reliability	<p>Management should ensure that performance is predetermined and changes to the SDBIP are made in accordance with budget adjustment processes to prevent planned performance being aligned to reported performance at year end.</p> <p>Management also needs to ensure that during performance planning stage the IDP and SDBIP are in terms of the framework for managing performance information to avoid making changes to the SDBIP after the adjustment budget.</p>	Office of the municipal Manager	Mrs M.P Mpahlwa	X Maswana	28-Feb-18





14	13	<b>Procurement and contract management:</b> Bidder that scored the highest points was not appointed.	When recalculating the functionality points for procurement of Professional Service of Prudhoe Internal Streets, we noted that Sokhani Development did not meet the functionality points of 80 out of 100 and therefore should have been disqualified and not proceeded to pricing.	Compliance	Deviations to normal procurement processes as documented in the municipality's Supply Chain Management policy, should be approved by the designated level of authority and captured timely in a deviations register. Furthermore, such deviations are to be supported by relevant documentation to substantiate the proposed course of action.	Budget and Treasury	V Makedama	Chief Financial Officer	On going
12	14	<b>Use of Consultants:</b> No proper contract monitoring in place	During the audit work performed on consultants and contract management it was noted that the municipality does not have adequate controls in place to ensure that it monitors the performance of contractors on a monthly basis.	Compliance	A Standardised monitoring tool be developed and communicated to all departments. The monitoring tool is to be completed and signed off for all SP and sent through to BTO on a monthly basis for reporting purposes	Budget and Treasury	V Makedama	Chief Financial Officer	28-Feb-18
15	15	<b>Contract management:</b> No proper performance monitoring in place.	For a number projects the information provided was not sufficient to confirm that the performance of the contractors was effectively monitored on a monthly basis.  Refer to the detailed audit findings for the detailed list of projects.	Compliance	A Standardised monitoring tool be developed and communicated to all departments. The monitoring tool is to be completed and signed off for all SP and sent through to BTO on a monthly basis for reporting purposes	Budget and Treasury	V Makedama	Chief Financial Officer	28-Feb-18



14	16	<b>Procurement and Contract management:</b> Deviations less than R 200 000.	The following transactions were recorded in the deviation register do not meet the provisions of regulations 36 (2) and should not be recognised as deviations.	Compliance	Deviations to normal procurement processes as documented in the municipality's Supply Chain Management policy, should be approved by the designated level of authority and captured timely in a deviations register. A deviation checklist be developed or updated accordingly to ensure all procurement done through deviations do in fact meet the definition of a deviation and comply with all aspects as contained in the SCM Policy and the applicable SCM Regulations.	Budget and Treasury	V Makedama	SCM Manager	31-Jan-18
15	17	<b>Contract Management:</b> No proper approval of variations and extensions	During the audit work performed on contract management it was noted that expenditure to date exceeded the contract amount therefore resulting in variations above 15 percent, the variation was not considered by the adjudication committee, was approved by council and the local community was not given reasonable notice of the intention to amend the contract.	Compliance	A senior official should frequently update the contract register and reviews should be performed by the chief accountant and should sign off as evidence of having performed such reviews. Contracts that are approaching or have exceeded their initial or approved contract value be flagged and reported to MANCO	Budget and Treasury	V Makedama	Chief Financial Officer	On going
14	18	<b>Procurement and contract Management:</b> Conflict of interest ( Gift register not kept)	Through testing of procurement it was noted that the municipality does not maintain a gift register, furthermore a gift register was requested in RFI 10 and it was not submitted as the municipality does not maintain a gift register to allow Scum officials and other employees to declare only gifts received.	Internal control	<p>1. Management should ensure that a gift register is maintained by the municipality so that officials or other role players involved in procurement declare any gifts received.</p> <p>2. It is recommended that the municipality maintains a sponsorship register to record all sponsorships received from supplier and other stakeholders.</p> <p>3. The register(s) should be communicated to all employees to create awareness of the existence thereof.</p> <p>4. BTO is to report quarterly to MANCO, Executive and Council on all Gifts and Sponsorships received or declared for a particular quarter.</p>	Budget and Treasury	V Makedama	Chief Financial Officer	<p>1. 30 Jan 2018</p> <p>2. 30 Jan 2018</p> <p>3. 15 Feb 2018</p> <p>4. Quarterly</p>



14	19	<b>Procurement and Contract Management:</b> Application of SCM regulation 32	During the audit work performed, it was noted that the municipality has not demonstrated the benefits and discounts of participating in the in the following contracts: > Mgunculu Trading > Thubalam Cc > Siya and Aya > Mantella Trading T/A Designer Lighting The scope , specification and price for the goods that are being procured are not exactly the same in all material respects to those procured by other related organ of state.	Compliance	Management should use regulation 32 only when goods or services being procured are exactly the same in nature and scope, furthermore benefits to be obtained from procurement through another organ of state should be considered and demonstrated before entering into the contract. BTO to develop and implement a checklist to be reviewed and signed-off by a senior official which will ensure all criterion is met before entering into a contract through application of Reg 32	Budget and Treasury	V Makedama	Chief Financial Officer	On going
Not indicated	20	<b>Expenditure:</b> Differences between invoices and general ledger	During the audit, differences were noted between invoices and general ledger.  Refer to the detailed audit findings for the detailed list of invoices identified with differences.	Financial	Debtors Monthly reconciliations should be performed and reviewd by senior official to ensure there are no errors or mistakes that have been processed through the accounting system.	Budget and Treasury	V Makedama	Chief Financial Officer	on going
Not indicated	21	<b>Payables:</b> Difference with payables	The following differences were noted related to payables between the proposed and actual journals passed.  The proposed journals to be passed amounted to R 668 642 and the actual journals passed amounted to R 1 464 606, resulting in a difference of R 795 964.  This results in understatement of payables by R 795 964 and	Financial	Creditors Monthly reconciliations should be performed and reviewd by senior official to ensure there are no errors or mistakes that have been processed through the accounting system. 2. Journals should be prepared and reviewed by senior officials. The journals should have defined fields where the preparer, reviewer and authoriser are required to sign and date.	Budget and Treasury	V Makedama	Chief Financial Officer	1 & 2 Monthly



			expenditure of the same amount.						
15	22	<b>Procurement and Contract Management:</b> Reasons for approving variations are not justifiable	<p>For the contract below management approved a deviation but the reasons for the deviation was not justifiable as there was no emergency and it did not seem that it was impossible to follow procurement processes.</p> <p>The contract was not advertised although the Municipality knew that the contract was ending, no procurement steps were followed before the end date of the previous contract with tyekeni therefore the municipality deviated due to poor planning.</p> <p>&gt; Tyekani Protection and clothing - Security Services. (8/2/541/2016-2017)</p>	Compliance	The municipality should follow procurement procedures when appointing contractors, a deviation should only be done when there is an emergency and/ it is impractical to follow the procurement processes.	Budget and Treasury	V Makedama	Chief Financial Officer	On going



18	23	<b>Indigent debtors:</b> Exceptions from CAATS testing > Refer to CAATS 3 CAATS 4 & CAATS 5	<p>The following instances were identified which indicate that the indigent debtor is not valid.</p> <p>During the comparison, the following data sets were used:</p> <ul style="list-style-type: none"> <li>&gt; Companies and intellectual Property commission (CIPC)</li> <li>&gt; Government employees and Municipality workers file</li> <li>&gt; National Populations Register (NPR)</li> <li>&gt; Combined payments information file</li> <li>&gt; Indigent information</li> </ul> <p><b>Invalid ID numbers</b>          Records that consists of a 13 character ID number were compared with the NPR information and cases identified where the account holders ID numbers could not be found on the NPPR data base.          Number of records found = 9 records.          Refer to the detailed audit findings for the detailed list of records identified.</p> <p><b>Employed in Government of in Municipalities</b>          With comparison of the 13 character ID number of the account holders with the combined Government employees and municipality workers file cases were identified where the particular account holder appears to be in the employment one or another government</p>	Financial	<p>Management should review the contents of the findings identified from the CAATS testing to determine the validity thereof such that appropriate follow up action can be taken if necessary to declassify the applicant as an indigent debtor.</p>	Budget and Treasury	V Makedama	Chief Financial Officer	30/06/2018	
----	----	--	--	-----------	--	---------------------	------------	-------------------------	------------	--



			<p>department or organisation. Number of records found = 2 records. Refer to the detailed audit findings for the detailed list of records identified.</p> <p><b>CIPC Directors All payments</b> With comparison of the 13 character ID number of the account holder with the CIPC database information and combined payments information file of payments to businesses in which government employees and municipal workers have an interest in cases were identified where the account holder have an interest in one or another company/business. Number of records found = 2 records. Refer to the detailed audit findings for the detailed list of records identified.</p>						
--	--	--	--	--	--	--	--	--	--





Prepared:

Reviewed:

Endorsed:

Approved:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

V. Makhedama  
Chief Financial Officer  
Date:

M.P. Mphahlwa  
Municipal Manager  
Date:

Cllr MT Siwisa  
Mayor  
Date:

Cllr NE Magingxa  
Speaker  
Date:



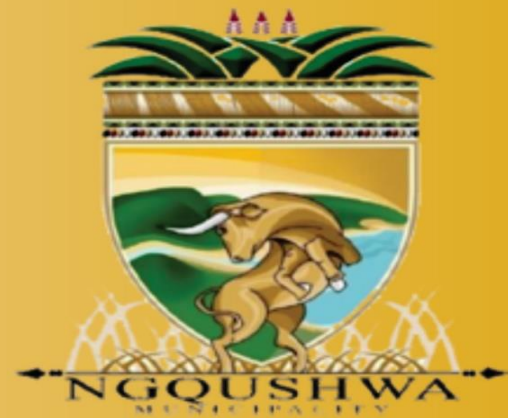
**KPA 4 : FINANCIAL VIABILITY AND MANAGEMENT WEIGHT: 20**

Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	KPI NO
To be a financial viable municipality (self-sustainability)	Ensuring sound financial planning and reporting through budget management best practices and interdepartmental coordination.	Draft Annual Financial Statements	Development of GRAP compliant Annual Financial Statements by 31 August 2018	2016/17 Audited Annual Financial Statements	Chief Financial Officer	BTO1
		Draft Interim Financial Statements	Development of GRAP compliant Interim Financial Statements by 31 March 2019	2017/18 Interim Financial Statements	Chief Financial Officer	
	Implementing sound revenue and debt management Practices through revenue maximization	Draft Three Year Financial Recovery Plan	Development and implementation of the Final Three Year Financial Recovery Plan by 31 December 2018	Draft Three Year Financial Recovery Plan	Chief Financial Officer	BTO2





# CHAPTER 7





## CHAPTER 7

### KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

#### 7.1 INTRODUCTION

To strengthen good governance and public participation, the municipality has devised strategies that will improve and enhance the relationship between various stakeholders that play a critical role towards achieving municipal goals and objectives.

##### 7.1.1 Institutional Arrangement

#	Approved and funded posts	Incumbent
1.	Municipal Manager	Mrs .M.P Mpahlwa
2.	Manager : Internal Audit and Risk Management	Mr.N Mbadu
3.	Manager:Comunications and International Relations	Ms.N Cakwe
5	Manager : IDP & PMS	Vacant
6.	Manager : Office of the Mayor	Ms .B Mfunda
7.	Manager : Office of the Speaker	Ms.N Ncapayi
8.	Legal Advisor	Vacant

Table: Institutional Arrangement

#### 7.2 LEGISLATIVE FRAMEWORK APPLICABLE

- The Constitution of the Republic of South Africa of 103 of 1996
- The Prevention of Corruption Act 94 of 1992
- Protected Disclosure Act 26 of 2000
- Promotion of Access to Information Act 2 of 2000
- Local Government Municipal Systems Act 32 of 2000
- Local Government Finance Management Act of 2003
- Local Government Municipal Structures Act 117 of 1998
- Employment Equity Act 55 of 1998
- Skills Development Act 97 of 1998
- Intergovernmental Relations Act 13 of 2005
- The White Paper Paper on Local Government No 9 of 1998



- Traditional Leadership and Governance Framework Act No 41 of 2003 and Regulations
- Intergovernmental Fiscal Relations Act No 97 of 1997
- Intergovernmental Relations Framework Act No 13 of 2005 and Regulations
- Local Government Municipal Demarcation Act No 27 of 1998 and Regulations
- Local Government Municipal Electoral Act No 27 of 2000 and Regulations

**Strategic goal:**

- To promote a culture of good governance and stakeholder involvement.

### **7.3 PUBLIC PARTICIPATION**

**Strategic Objectives:**

- To strengthen participatory democracy by ensuring that all stakeholders are involved in decision making.
- Enhance public participation mechanisms to be considerate of local dynamics and vulnerable groups.

The municipality has a Communications and Public Participation Strategy to ensure municipal programmes are implemented efficiently and effectively. The Communications and Public Participation Strategy was adopted by Council on the 31 May 2017.

#### **7.3.1 Council**

The Council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles and has delegated its executive function to the Mayor and the Legislative and Oversight to the Speaker.

#### **7.3.2 Political Governance Structure**

Ngqushwa Local Municipality is governed by the Executive Committee type led by the Mayor as the Political Head of the institution. The Municipality has 12 wards, due to demarcation effect of 2016, which saw the municipality having a reduced number of





wards from 13 to 12. Council has 23 Councillors including Mayor and Speaker and in addition, has 5 Traditional Leaders serving in Council. The municipality has 4 standing committees chaired by members of the Executive Committee (Portfolio Heads). Portfolio Heads report to the Executive Committee chaired by Mayor. The Executive Committee reports on the progress of implementation of processes and programmes to Council.

### **7.3.3 Standing Committees**

- Infrastructure and Technical Services Standing Committee;
- Budget and Treasury Office Standing Committee;
- Corporate Services Standing Committee;
- Community Services Standing Committee.

## **7.4 MECHANISMS AND PROCEDURES FOR COMMUNITY AND STAKEHOLDER PARTICIPATION**

### **7.4.1 Communications and Public Participation Strategy**

The Municipality adopted a Public Participation Strategy and Policy on the 31<sup>st</sup> May 2017. These two documents provide for the functioning of public participation unit and to mainstream public participation in overall municipal planning and budgeting. The policy is compliant with the requirements of the Systems Act and provides for the mechanisms of public participation that may be used by the municipality .

#### **7.4.1.1 Ward Committee Structures and War Rooms**

Ngqushwa Municipality has two structures through in which formalised public participation with its communities and stakeholders takes place. Ward committees are convened on quarterly basis and War Room meetings are convened on bi-monthly basis and part of the discussions is to ensure all wards development priorities are included in the IDP.



#### 7.4.1.2 The Ward Committee system

Ngqushwa Municipality has 12 functional ward committee structures with 120 ward committee members who are paid a stipend of R1000 per month. Ward Committee meetings are chaired by the Ward Councillor. Ward Committee reports to Speaker and their reports find expression in the Speaker's report to Council. Ward Committee's term of office is in-line with that of the Council.

#### 7.4.1.3 The War Room System

War Rooms have been established in all wards to ensure that Communities, civic organisations, Community Based Organisations, non-governmental organisations, members of the private sector which are involved in local affairs of the municipality are an integral part of governance in the municipality. It obliges the municipality to include communities in municipal decision-making in compliance with the Municipal Systems Act that obliges municipalities to develop a culture of participatory governance.

Eastern Cape Premier Mr Phumulo Masualle recently introduced Integrated Service Delivery model named Operation Masiphathisane. This model promotes meaningful collaboration between government, civil society, and communities to better respond to the needs of the people. This is an integrated service delivery model characterised by establishment of war rooms at ward level, as the service delivery engines. Active participation of stakeholders (Community leaders; Government Departments; Civil Society; Field Workers and Community Structures) is vital for the war room to be fully functional.

On the 8th of March 2017, the Department of Cooperative Governance and Traditional Affairs in partnership with the office of the Premier conducted one day workshop on Operation Masiphathisane for all government departments, Head of departments and middle managers. The purpose of the workshop was to orientate key stakeholders on the programme before the rollout to all wards which aimed to give platform to engage on the programme with regards to their different aspects, areas of expertise as well as role of each stakeholder has to play in the implementation of the programme for a more coordinated service delivery manner.



The Mayor of Ngqushwa his worship Cllr Mnikelo Siwisa accompanied by senior officials from various government departments and Public Participation team established Operation Masiphathisane War Rooms in all wards of Ngqushwa and launch Ngqushwa War Room on the 28th of March 2017 at Ncumisa Kondlo Indoor Sports Centre. The war room mechanism would also build a modern public service that is quick to respond to the needs of the people. Operation Masiphathisane approach is further empowering communities to drive their own development.

Successful implementation of this program is assisting on strengthening the relation between government and people. Masiphathisane pillars include a change management program that will be fully coordinated at community level with an integrated monitoring and evaluation systems to track progress on various projects or services rendered and unblock limitation or challenges encountered at ward level.

This approach seeks to respond to socio-economic needs of the ordinary people, within reasonable turnaround times, and foster accountability in civil service. Through Masiphathisane the Eastern Cape government shall render service in a more integrated and co-ordinate manner, effectively utilize resources to achieve maximum output and positively impact in changing People's lives for the better.

#### **7.4.2 Traditional Leaders serving in Council**

One of the mechanisms for the enhancement of participatory democracy was the inclusion of Traditional Councils into municipal Councils as per the provision of the Chapter 81 (2) (a) and (4) of the Municipal Structures Act, 117 of 1998. These Traditional Councillors constitute 17% of the Municipal Council Structure and that resulted in Ngqushwa Municipality having 5 Traditional Leaders serving in Council which their role is to ensure that matters relating to Traditional Councils are considered in the decision-making processes of Municipal Council.

Below is the list of Traditional Leaders participating in Ngqushwa Municipal Council:

- Chief Z. P. Njokweni



- Prince G. L. Zitshu
- Princess N. Ngqondi
- Prince A. Goni
- Prince N. Mhlauli

#### **7.4.3 Petitions and Complaints Management System**

The Municipality has a functional Petitions and Complaints Management Committee which deals with community complaints and petitions. This is a section 79 committee.

Petitions and Complaints lodged by community are received by the offices of the Speaker and the Municipal Manager. The issues are referred to the Petitions and Complaints Management Committee which sits quarterly not unless there are issues that require special sitting of the committee.

Below is the list of Petitions and Complaints Management Committee members:

- Cllr. N. E. Magingxa – Speaker/Chairperson
- Cllr. N. Leve
- Cllr. N. Jako
- Cllr. N. Lawu
- Cllr. N. Mpoli
- Prince G. L. Zitshu

#### **7.4.4 Municipal Public Accounts Committee**

The role of the Municipal Public Accounts Committee is to exercise an oversight role and to ensure efficient and effective utilisation of municipal resources. One of the mechanisms to achieve this is to involve communities in the oversight of municipal finances through the establishment of well-capacitated audit committees.

MPAC prepares the oversight report over the Annual Report and other oversight functions as determined by the Council. MPAC is a section 79 committee, the meetings sit quarterly. Section 129 of the Local Government: Municipal Finance Management Act No



56 of 2003 No 56 of 2003, provides that members of the public may attend the meetings of the Council preparing the oversight report over the Annual Report and to make inputs on the oversight report. MPAC conducts Annual Roadshows for the tabling of Annual Report to afford members of the public an opportunity to make inputs in preparation of the oversight report in order to have a balanced and well-informed oversight report. Dates of meetings of the MPAC Roadshows are publicised to encourage community members to attend the meetings.

Below is the list of Municipal Public Accounts Committee Members:

- Cllr. N. Mquqo – Chairperson
- Cllr. N. Mtati
- Cllr. L. Moyeni
- Cllr. R. Taylor
- Cllr. N. V. Gxasheka
- Prince N. Mhlauli

#### **7.4.5 Multi-party Women’s Caucus**

The first step in the political empowerment of women is to ensure that, though they are elected through electoral system into Council, they are empowered in such a way that they focus on issues affecting women not from the political perspective but advocate for objective and equitable representation of all vulnerable groups.

This is a Section 79 Committee as per the dictates of the Municipal Structures Act stipulates that Municipal Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any its functions or the exercise of any of its powers. This group focuses on issues that affect women internally and externally across party lines. They access support and knowledge to improve their capacity as Councillors.

Below is the list of Women’s Caucus Members:

- Cllr. N. Mpoli – Chairperson
- Cllr. N. Magingxa



- Cllr. P. Sitole
- Cllr. T. Skweyiya
- Cllr. N. Lawu
- Cllr. N. C. Gxasheka
- Cllr. N. Mtati
- Cllr. R. Taylor
- Cllr. N. Fulani
- Cllr. N. V. Gxasheka
- Cllr. D. Ncanywa
- Cllr. N. Jako
- Cllr. Z. Nduneni
- Princess N. Ngqondi

#### **7.4.6 Community Development Workers Programme**

The main objective of the Community Development Worker Programme (CDWP) is to bridge the gap between government service delivery programmes and the people specifically the marginalised communities by:

- Ensuring that government maintains direct contact with people
- Strengthen coordination and integration of service delivery at community level
- Improve people's access to government information and services
- Enhance service delivery
- Ensure transformation and that government services reaches the intended people.
- To assist government to improve the quality of life for economically and socially disadvantaged groups.

CDW's are attached to the office of the Speaker, they form integral part of the Ward Committee structures, War Rooms and are obligated to serve as additional members in all Community non-statutory structures.

The current challenge facing the municipality is the delay in filling of the vacant positions by the Department of Cooperative Governance and Traditional Affairs.





Below is the list of Community Development Workers:

Ward	Name of CDW	Contact Details
1	Ms Ncumisa Mahlaza	083 963 9047
2	Mr Monde Nodi	073 096 5017
3	Ms Nomabandla Yaphi	073 278 0528
4	Ms Nwabisa Ngeni	083 249 5364
5	Ms Veliswa Bekani – Coordinator	072 146 8016
6	Vacant	
7	Ms Nomathemba Mbana	073 603 3032
8	Ms Gcobisa Woji	073 534 9105
9	Vacant	
10	Ms. Nombuliso Mpalala	078 029 7551
11	Ms Cingiswa Mila	073 603 2320
12	Mr Zwelanele Bala	078 122 0902

#### 7.4.7 Ward Based Plans

Ngqushwa Local Municipality has developed Ward Based Plans in 2017/2018 Financial Year with assistance from EC COGTA. During the development of an Integrated Development Plan, it is very critical for a municipality to develop ward based plans in order to ensure that community needs and priorities are taken care by means of a detailed planning that will assist in coordinating the programmes and projects as well as monitoring and evaluation will be effective. Ward based plans will contribute to public knowledge and the municipality to have a better understanding of the municipal wards. Competitive advantage of ward based plans is to drive the municipality programmes fairly and equitably to all the communities and deliver services based on the needs and priorities identified. Ward based planning will allow an opportunity to the communities to be involved in the planning process and be able to control the service delivery issues. Lastly, ward based plans will enable to promote community ownership.



#### **7.4.8 Tools/Methods used for enhancement of public participation**

- Mayoral Imbizo - set out to enable communities to interact with the Council on issues of Service delivery, government programmes as well as opportunities available for the public.
- IDP/Budget and PMS Representative Forum – set out to ensure meaningful participation of communities in the development of IDP and Budget.
- IDP/Budget Roadshows – allows for members of the public to comment on the Draft IDP and Budget before finalisation.
- Ward Meetings – conducted by Councillors to ensure that there is constant interaction between the communities and the municipality.
- Ward Committee Meetings – to consolidate and escalate community issues to the level of Council.
- War Room Meetings – to ensure that stakeholders are widely represented in governance of their wards.
- Annual Report Roadshows – To ensure that communities input in the development of the oversight report.

#### **7.5 INTERNAL AUDIT AND RISK MANAGEMENT**

##### **Strategic Objectives**

- To provide value-added and trusted assurance, consulting and advisory services to Council
- To continuously ensure that NLM has and maintains an effective process of risk management



### **7.5.1 Audit Committee**

The Audit Committee is a sub-committee of Council. The responsibilities of the Committee are detailed in the Audit Committee Charter. This charter was approved by Council and it is reviewed on a yearly basis.

The purpose of the committee is to provide:

- Independent assurance on the adequacy of the risk management framework, performance management, governance and the control environment;
- Independent scrutiny of the municipality's financial and non-financial performance; and
- To oversee the financial reporting and compliance processes.

The committee meets quarterly and accordingly reports to Council on the matters pertaining to Internal Audit, ICT, Performance management, risk management, control environment, compliance and financial management. The main objective of the committee in the next four year is to:

- Increasing public confidence with regards to both financial and non-financial reporting; Reinforcing the importance and independence of internal and external audit and similar review processes;
- Providing additional assurance through a process of independent review.
- Raising awareness of the need for internal control and the implementation of audit recommendations.

### **7.5.2 Risk Management**

Ngqushwa Municipality's Council monitors risk through the Audit Committee. The Committee plays an oversight role to ensure that there is an effective risk management process and system within the organisation. This approach provides technical assistance to the Council to exercise its role in ensuring that an adequate and effective risk management system and process is in place. The Council is expected to exercise the duty of care, skill, and diligence in identifying, assessing and monitoring risks as



presented by Audit Committee. The Audit Committee recommends to the Council risk strategies and policies that need to be set, implemented and monitored.

### **7.5.3 Fraud Management**

The council is committed to the highest possible standards of openness, probity and accountability and recognises that the electorate need to have confidence in those that are responsible for the delivery of services. A fraudulent or corrupt act can impact on public confidence in the Council and damage both its reputation and image.

Fraudulent and corrupt practices undermine the basic values and principles governing public administration and any criminal and other irregular conduct is detrimental to good, effective, accountable and transparent governance and can hamper the service delivery capacity of the Municipality. Procedures are provided in terms of which employees and councillors may without fear of reprisals, disclose information relating to suspected or alleged criminal or other irregular conduct. Policies and strategies are in place setting out the Council's approach and commitment to the prevention, deterrent and detection of fraud and corruption.

### **7.5.4 Internal Audit**

The Council resolved to establish the Internal Audit Function and placed it under the Municipal Managers Department. The Manager Internal Audit reports administratively to the Municipal Manager and functionally to the established Audit Committee of the Municipality .

Internal Audit department provides a central point for the coordination of and responsibility for activities that promote accountability, integrity and efficiency in the municipality. The unit provides an independent, objective assurance and consulting services designed to add value and improve the Municipality s operations. It assists the Municipality in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes. The municipality has received a Qualification Audit Opinion in 2015/2016 and in 2016/2017 the municipality has received an Unqualified Audit Opinion.



## **7.5 COMMUNICATIONS**

### **Strategic Objectives:**

- To strengthen communication with Internal and external stakeholders by providing accurate, timeous, and complete information about municipal policies and programmes.
- To promote a consistent corporate identity, market and brand NLM to maintain professionalism.

### **7.5.1 Communication and Public Participation Strategy**

Ngqushwa Local Municipality has developed and approved a Communication Strategy in 2015 however the strategy has been reviewed in 2017/18. The strategy has been developed in alignment with the National Communication Framework of Government, Government priorities and it supports the municipality 's Vision, Mission and strategic objectives. The purpose of developing the communication strategy is to focus in the light of changing internal and external communications that have an impact on the priority issues, objectives, strategies, and programmes of the IDP that are aimed at improving the lives of people. The municipality's head of administration, Councillors, tribal authorities, ward committees, Community development workers (CDWs), electronic media (radio and TV), and print media (newspapers and newsletters) are utilised for communication with the communities.

### **7.6.2 Intergovernmental and International Relations**

The municipality has and holds quarterly Intergovernmental Relations Forum that is attended by sector departments and government agencies, part of the role played by this is to facilitate relevant intergovernmental dialogues which most of the time talks to national and provincial issues. There is improvement in the attendance of IGR forum though some departments are not consistent in attending the forum.

Another challenge that is still faced by the community of Ngqushwa is that many Government Departments do not have local offices within the municipality which makes it difficult for the communities to access other services.



The municipality has relations with Federation of Canadian Municipalities (FCM), wherein the Global Affairs Canada (Global Affairs) initiated a project in partnership with the South African Local Government Association (SALGA), an initiative named the Building Inclusive Green Municipalities Program (BIGM). BIGM will strengthen the capacity of the South African municipal sector and specific municipalities in Eastern Cape Province to contribute to South Africa's priorities for reducing poverty, supporting economic growth, and responding to climate change by transitioning to a low carbon economy. SALGA, as the voice of municipalities in South Africa, will be better equipped to engage directly with its members and other stakeholders to meet these priorities.

Building Inclusive Green Municipalities (BIGM) program aims to improve the capacity of South African municipal governments to support effective service delivery, inclusive local green economic growth and enhanced climate change mitigation and adaptation measures.

The program will pilot local economic development initiatives in up to six Eastern Cape municipalities (Ngqushwa inclusive) to promote job creation, poverty reduction, and enhanced well-being while empowering women, youth and vulnerable groups, and ensuring their inclusion as decision makers and beneficiaries. The BIGM program will also improve municipal-level plans and policies targeting climate change adaptation and mitigation, including asset management policies and practices.

The Federation of Canadian Municipalities will be implementing this program in partnership with the South African Local Government Association (SALGA), the national voice of municipalities. Throughout this program, FCM will also build SALGA's capacity to effectively engage with South African municipalities and to disseminate innovative municipal policies and practices to its members. The program will ensure the meaningful inclusion of women in the design and implementation of local economic development initiatives and increase their representation in decision-making processes at the local level.

The program commenced in October 2017 where Canadians (Innisfil Town Municipality ) delegates visited Ngqushwa Local Municipality to initiate the programme on Local Economic Development .Delegates from Ngqushwa Local Municipality also visited





Canada (Innisfil Town Municipality ) in February 2018 to learn and share on Local Economic Development .The program will be running for a period of 52 months .

## **7.7 SPECIAL PROGRAMMES UNIT**

### **Strategic Objectives:**

- To continuously ensure mainstreaming and effective functionality of special programmes with NLM by 2018 and beyond
- To continuously promote the unearthing and nurturing of talent in various sporting codes within NLM by 2018 and beyond.
- To ensure that there is continuous capacitation of the unemployed by providing skills development interventions

### **Special Programme Unit is responsible to coordinate the following National Days:**

- Mandela Day
- Women's Month
- 16 Days of Activitism
- World Aids Day
- Disability Awareness day
- Back to School Campaign
- Human Rights Day
- Youth Day
- Christmas for older persons, orphans and vulnerable children

The municipality is currently engaging with the Amathole District Municipality to assist in the development of HIV/Aids Strategy, SPU Strategy and Sport Development Strategy. The municipality annually receive Expanded Public Works Programme (EPWP) funding from the Department of Public Works for programmes that will be runned by Ngqushwa Local Municipality .The beneficiaries of the programme are the unemployed people from the Ngqushwa area.The municipality is in a process of appointing an EPWP Administrator in 2018/18 financial year.



### **7.7.1 Development of a Training Academy**

Ngqushwa Local Municipality Turnaround Strategy's pillar 5 puts more emphasis on Human Capital Development. This is part of joint Initiative on priority skills acquisition. The focus will be on Ngqushwa producing artisans for the country.

### **7.7.2 Development of high-performance Sports Academy**

Swimming, rugby, cricket, soccer, karate /judo, gymnastics, boxing, athletics and netball. This will assist in unearthing and nurturing of talent in Ngqushwa. This will assist in the resuscitation of school sport.

### **7.7.3 Development of Early Childhood Development Centres (ECD Centres)**

We will all remember that the then system of education was biased towards a certain group of people in the country. African people more especially those in rural areas did not have adequate facilities to support formal education. The establishment and support of ECD Centres in our villages will assist in addressing the imbalances of the past.

### **7.7.4 Development of Ward Advisory Centres for School Leavers**

This will talk to our Vision 2057 and National Vision 2030 with special reference to Youth Development. This will create an enabling environment for young people to participate in Nation Building and creation of better life for all.

## **7.8 INTERGRATED DEVELOPMENT PLANNING AND PERFORMANCE MANAGEMENT**

### **Strategic Objectives**

- To continuously ensure effective, economical and compliant integrated planning
- To promote a high –performance culture on on-going basis



### **7.8.1 Integrated Development Planning**

The municipality has adopted its process plan on the 26 July 2017 that guides the municipality in developing the 2018/2019 Integrated Development Planning (IDP). IDP Roadshows were conducted in April 2018 to ensure public comments and inputs are incorporated in the planning of the municipality.

### **7.8.2 Institutional Performance Management System**

Ngqushwa Local Municipality is currently implementing a manual performance management system to ensure performance information is reported on quarterly basis.

To strengthen good governance, Ngqushwa Local Municipality performance management unit is conducting monitoring, evaluation and implementation of programmes and projects. The municipality has adopted a performance management policy that guides the implementation of Institutional Performance Management System. The monitoring, evaluation and reporting of the performance management system is conducted on quarterly basis and quality assurance is performed by the Internal Audit, Audit Committee and MPAC.

## **7.9 LEGAL SERVICES**

The municipality is in process of appointing Legal Advisor that will oversee litigation register, contracts management and compliance issues.



## 7.10 ALIGNMENT OF SECTOR PLANS WITH GLOBAL, NATIONAL, PROVINCIAL AND DISTRICT PLANS

KEY PERFROMANCE AREA	OBJECTIVES	SUSTAINABLE DEVELOPMENT GOALS	NATIONAL DEVELOPMENT PLAN	PROVINCIAL DEVELOPMENT PLAN	DISTRICT VISION 2030	Back to Basics (B2B)
<b>Institutional Development and Design</b>	<ul style="list-style-type: none"> <li>To create a safe working environment for all employees</li> <li>Striving towards the creation of a stable and capacitated leadership to improve service delivery and good performance in service delivery/oversight</li> <li>To ensure good, sound industrial relations between the employer and the employees</li> <li>To ensure good, sound industrial relations between the employer and the employees</li> <li>To build and enhance the human resource capacity of the municipality</li> <li>To provide a secure ICT Infrastructure which delivers appropriate level of data integrity and availability</li> <li>To align technology with municipality goals, enabling a contribution to municipality's strategic objectives</li> <li>To render a corporate fleet administration service to the municipality</li> </ul>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Skilled and capable workforce to support an inclusive growth path	Capable, Conscientious and accountable institutions	Education and Skills development – the idea is to mobilise all key stakeholders around a single Human Resource Development Strategy for the region that addresses life-long and quality learning throughout the district with the aim of ensuring higher employment, productivity and entrepreneurship levels in our communities	Building institution and administrative capabilities



KEY PERFROMANCE AREA	OBJECTIVES	SUSTAINABLE DEVELOPMENT GOALS	NATIONAL DEVELOPMENT PLAN	PROVINCIAL DEVELOPMENT PLAN	DISTRICT VISION 2030	Back to Basics (B2B)
<b>Quality Basic Services and Infrastructure Development</b>	<ul style="list-style-type: none"> <li>To manage administration and implementation of capital projects i.e. internal roads and community halls.</li> <li>To manage the repairs, maintenance and operational processes with regards to roads and storm-water network</li> <li>To manage the provisioning and maintenance of electrical services to ensure the rendering of effective, efficient, economical and electrical maintenance services.</li> <li>To manage the rendering of waste management services in accordance with applicable legislation, by-laws and standards.</li> <li>To provide new cemeteries while maintaining existing cemeteries according to the legislation</li> <li>To ensure effective, efficient and economic coastal management of the environment by 2022 and beyond.</li> <li>To provide easily accessible new facilities that accommodate persons with disabilities whilst</li> </ul>	Ensure availability and sustainable management of water and sanitation for all	An efficient, competitive and responsive economic infrastructure network	Improved economic infrastructure that promotes new economic activity	The intention is to trigger Strategic Infrastructure Investment i.e. to utilize investment in infrastructure in order to spatially reconfigure the district, generate jobs and to boost economic activity. Infrastructure audit has to be conducted in order to guide this investment.	Deliver municipal services to the right quality and standard



KEY PERFROMANCE AREA	OBJECTIVES	SUSTAINABLE DEVELOPMENT GOALS	NATIONAL DEVELOPMENT PLAN	PROVINCIAL DEVELOPMENT PLAN	DISTRICT VISION 2030	Back to Basics (B2B)
	<p>adapting, upgrading and maintaining existing ones.</p> <ul style="list-style-type: none"> <li>To manage the provisioning and maintenance/operation of parks, sport grounds, commonage and public amenities</li> <li>To manage the rendering of efficient and sustainable traffic and law enforcement services to all roads users and public.</li> <li>Manage the implementation of boreholes programmes with Ngqushwa Municipal jurisdiction.</li> </ul>					
<b>Local Economic Development and Spatial Development</b>	<ul style="list-style-type: none"> <li>To create an enabling environment that promotes the development of Local Economy and facilitate job creation.</li> <li>To market Ngqushwa Local Municipality as a tourism destination of choice</li> <li>To conserve natural resources available to us in order to ensure that generation to come can still benefit from them.</li> <li>To enhance equitable access and participation in agricultural opportunities by unlocking agricultural and entrepreneurial potential</li> </ul>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>Decent employment through inclusive economic growth</p> <p>Sustainable human settlements and improved quality of household life</p>	<p>Growing, inclusive and equitable economy</p> <p>Develop and implement a provincial land-use and spatial planning System</p>	<p>There is a commitment to protect the environmental state of the district and to adopt a "green" approach to all public and private sector activity within the region.</p>	<p>Deliver municipal services to the right quality and standard</p>





KEY PERFROMANCE AREA	OBJECTIVES	SUSTAINABLE DEVELOPMENT GOALS	NATIONAL DEVELOPMENT PLAN	PROVINCIAL DEVELOPMENT PLAN	DISTRICT VISION 2030	Back to Basics (B2B)
	<ul style="list-style-type: none"> <li>To ensure integrated spatial planning for effective land use management and development so as to promote sustainable developments.</li> </ul>					
<b>Financial Viability and Management</b>	<ul style="list-style-type: none"> <li>Implementing sound revenue and debt management Practices through revenue maximization</li> <li>Ensure sound expenditure management through development and review of internal controls to strengthen the control environment and achieve clean administration</li> <li>Ensuring sound Supply Chain Management through development and reviewing of internal</li> <li>Ensuring sound financial planning and reporting through budget management best practices and interdepartmental coordination</li> </ul>	Silent	Responsive, accountable, effective and efficient local government system	Silent	Silent	Sound financial management and accounting
<b>Good Governance and Public Participation</b>	<ul style="list-style-type: none"> <li>To strengthen participatory democracy by ensuring that all stakeholders are involved in decision making.</li> <li>Enhance public participation mechanisms to be considerate of local dynamics</li> </ul>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive	An efficient, effective and development oriented public service	Silent	Institutional Development – this driver addresses the need to strengthen and build collaborative partnerships within government, and amongst the public, private and	Good governance and sound administration



KEY PERFORMANC E AREA	OBJECTIVES	SUSTAINABL E DEVELOPME NT GOALS	NATIONAL DEVELOPME NT PLAN	PROVINCIAL DEVELOPMENT PLAN	DISTRICT VISION 2030	Back to Basics ( B2B)
	<p>and vulnerable groups</p> <ul style="list-style-type: none"> <li>To provide value-added and trusted assurance, consulting and advisory services Council</li> <li>To continuously ensure that NLM has and maintains an effective process of risk management</li> <li>To strengthen communication with Internal and external stakeholders by providing accurate, timeous, and complete information about municipal policies and programmes.</li> </ul>	institutions at all levels			<p>civil society sectors</p> <p>The acknowledgment is that better co-ordination, collaboration, good governance and the creation of an enabling environment for businesses and institutions to thrive will be essential for development in the region.</p>	

## 7.11 THE OFFICE OF THE MUNICIPAL MANAGER INTENDS TO DO THE FOLLOWING PROJECTS FOR THE NEXT 4 YEARS

- Develop and implement the Internal Audit Strategy
- Develop and implement the Annual Internal Audit Plan
- Monitor the implementation of recommendations from both Internal and External Audit
- Periodically report on the implementation of the Annual Internal Audit Plan
- Develop and implement a risk management strategy and plan;
- Conduct annual risk assessment workshops that will inform the institutions operational and strategic risk registers;
- Continue to monitor and report on the risk action plans to improve control process.
- Development of Early Childhood Development Centres (ECD Centres)
- Development of Ward Advisory Centres for School Leavers
- Development of Artisans Training Academy
- Development of Sport Academy



- Strengthening the Intergovernmental Relations forum and participate in International Relations
- To conduct Corporate Branding of the Municipality
- To effectively monitor the functioning of War Rooms and Ward Committees.
- To ensure the structures of Vulnerable groups are opening effectively

## **7.12 CHALLENGES FACED BY THE OFFICE OF THE MUNICIPAL MANAGER DEPARTMENT**

- Lack of financial resources for implementing programmes and projects
- Poor attendance of Intergovernmental Relations Forum
- Lack of targeted training for internal auditors, particularly those at a lower level.
- The pressure to deliver on the expected value by other stakeholders within the municipality with limited resources.

## **7.13 RESPONSE TO THE CHALLENGES**

- Source funding from donors and other sector departments by submitting of Business Plans
- An automated audit management system should be procured to facilitate automated review of work, coaching, generation of reports, tracking of management action plans, and to support the deadline driven nature of internal audit work, and the effective utilisation of available resources. NB: This has been budgeted for in 2018/19
- Internal audit personnel should be provided with targeted training (IIA courses) to enhance their technical knowledge and skills
- To constantly communicate with Head of Departments of Sector Departments to ensure they are represented in the Intergovernmental Relations Forum

## **7.14 THE OVERVIEW AND PURPOSE OF THE IDP ANALYSIS AND ASSESSMENT**

There will be a common IDP analysis window of 2 weeks, scheduled to take place after adoption of final IDPs. The analysis will broadly cover the following important aspects:



- Are all issues identified in the TAS covered and integrated in the IDP?
- Does the IDP being analysed need to be simplified?
- Have Municipalities been accordingly analysed on basket categories *namely* High, Medium and Low?
- Is there a clear commitment by all Sector Departments involved?
- Have MEC comments been questioned? Were the previous MEC comments taken into account? If so, have the comments materialised into a higher quality IDP? Does the MEC process add value to the process? In the event of plans not being of a higher quality, then steps maybe taken to simplify the IDP for the municipality in concern. The use of simplified IDP's will allow for sector departments to mobilise funds in a more efficient manner.
- Assessors to check whether Water Services Plan, EIA and other plans are outdated? Plans like the Workplace Skills Plan gives insight to capacity-related issues. It is important that municipalities should provide a detailed report on what exactly they require from sector plans. The IDP implementation for the past 4 years must be assessed.
- The monitoring and evaluation process must be well integrated with the IDP assessments.

#### **7.14.1 Key Focal Areas**

1. Spatial Considerations
2. Service Delivery and Infrastructure Planning
3. Financial Planning and Budgets
4. LED
5. Good Governance: Public Participation, labour, IGR etc.
6. Institutional Arrangement



## 7.15 MEC COMMENTS FROM THE PAST 3 YEARS

### 7.15.1 2017/18 MEC Comments Summary

Municipality	KPA 2 - Service Delivery	KPA 3 - Financial Viability	KPA 4 - Local Economic Development	KPA 5 - Good Governance	KPA 6 - Institutional Arrangements	Overall Ratings
Ngqushwa LM	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH

### 7.15.2 2016/17 MEC comments Summary

Municipality	KPA 1	KPA 2	KPA 3	KPA 4	KPA 5	KPA 6	Overall Ratings
Ngqushwa LM	High	High	High	High	Medium	Medium	High

### 7.15.3 2013/14 - 2014/15 and 2015/16 MEC comments Summary

KPA	RATING 2013/14	RATING 2014/2015	RATING 2015/2016
Spatial Development Framework	High	High	High
Basic Service Delivery	High	High	Medium
Financial Viability	High	Medium	Medium
Local Economic Development	High	High	High



Good Governance & Public Participation	High	High	Medium
Institutional Arrangements	High	High	High
<b>Overall Rating</b>	<b>High</b>	<b>High</b>	<b>Medium</b>





### KPA 5 :GOOD GOVERNANCE AND PUBLIC PARTICIPATION WEIGHT : 20

Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	
To promote a culture of good governance and stakeholder involvement	To continuously ensure effective, economical and compliant integrated planning	Review of 2018/2019 IDP	Approved Reviewed 2018/2019 IDP by 30 June 2019	2017/2022 IDP	Municipal Manager	GGPP 1
	To strengthen communication with Internal and external stakeholders by providing accurate, timeous, and complete information about municipal policies and programmes	Number of programmes Implemented in the Communication Action Plan	20 programmes implemented in the Communication Action Plan by 30 June 2019	2017/18 Communication Action Plan	Municipal Manager	GGPP 2
	To continuously ensure that NLM has and maintains an effective process of risk management	Draft Institutional Strategic Risk Register	Annual Risk assessment workshop by 30 June 2019	2017/18 Formal Annual Risk Assessment	Municipal Manager	GGPP 3
	To provide value-added and trusted assurance, consulting and advisory services to Council	Draft 2018/19 Annual Internal Audit Plan	Approved 2018/19 Annual Internal Audit Plan by 30 June 2019	2017/18 Annual Internal Audit Plan	Municipal Manager	GGPP 4
	To strengthen participatory democracy by ensuring that all stakeholders are involved in decision making	Conduct 2017/18 Annual Report Roadshows	Conduct 2017/18 Annual Report Roadshows by 30 June 2019	2016/17 Annual Report Roadshows	Municipal Manager	GGPP 5



**KPA 5 :GOOD GOVERNANCE AND PUBLIC PARTICIPATION WEIGHT : 20**

Strategy	Objective	Indicator	Annual Target	Baseline	Custodian	
	Provide and encourage provision of multiple opportunities for Youth to develop, master and apply critical life and employment skills for sustainability of Youth programmes.	Number of Learners enrolled for New Venture Creation Learnership	440 Learners enrolled for New Venture Creation Learnership by 30 June 2019	Not applicable	Municipal Manager	GGP6



# CHAPTER 8





## **CHAPTER 8**

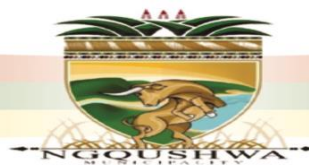
### **PROJECTS AND PROGRAMMES**

#### **8.1 INTRODUCTION**

Ngqushwa Local Municipality has identified key areas of focus that will create the necessary momentum for higher economic growth. While other sectors will not be neglected, attention will be shifted to priority sectors to ensure the impact and results of our efforts are optimal. Under this Ngqushwa Local Municipality's, implementation strategies are clearly spelt out. Our emphasis is on a formalised structure, which encourages accountability.

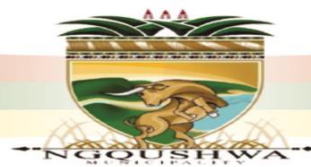
At over 23 years of democracy, Ngqushwa is no longer a young municipality. We have come of age and, thus, we need a new approach and fresh determination: our destiny is in our hands, and more vigour and urgency is required to actualise Vision 2057. We must, collaboratively, do everything possible to ensure a high execution rate under Ngqushwa Local Municipality long term vision of 2057. To ensure that services are rendered to our communities, below a list of all projects and programmes that the municipality intends to do are as follows





## 8.2 VISION 2057 CATALYS PROJECTS

CATALYST PROJECTS	SOURCE OF FUNDING	Year 1 ( 10 Yrs ) VISION 2057	Year 2 ( 10 Yrs ) VISION 2057	Year 3 ( 10 Yrs ) VISION 2057	Year 4 ( 10 Yrs ) VISION 2057
<b>SMALL TOWN REVITALISATION PROJECT/ HAMBURG DEVELOPMENT</b>	Department of Economic Development ,Environmental Affairs and Tourism Industrial Development Corporation Department of Corporative Governance and Traditional Affairs Department of Roads and Public Works	Business Plans Architecture Design Source Funding	Construction stage of basic services and structures	-	-
<b>SMALL TOWN REVITALISATION PROJECT/ PEDDIE TOWN DEVELOPMENT</b>	Department of Economic Development ,Environmental Affairs and Tourism Industrial Development Corporation Department of Corporative Governance and Traditional Affairs Department of Roads and Public Works Office of the Premier	Business Plans Architecture Design Source Funding	Construction stage of basic services and structures	-	-
<b>NGQUSHWA TRAINING ACADEMY</b>	Department of Sport ,Recreation, Arts and Culture Donors Private Sector	Business Plans Architecture Design Source Funding	Construction stage of basic services and structures	-	-
<b>NGQUSHWA SPORT CENTRE</b>	Department of Sport ,Recreation, Arts and Culture Donors Private Sector	Business Plans Architecture Design Source Funding	Construction stage of basic services and structures	-	-
<b>CENTRES OF EXCELLENCE IN MATHS AND SCIENCE</b>	Department of Maths and Science Donors Private Sector	Business Plans Architecture Design Source Funding Construction on Centre	Constructing 3 Centres	-	-
<b>CONSTRUCTION OF NGQUSHWA LOCAL MUNICIPALITY OFFICES</b>	Department of Roads and Public Works Own Revenue	Business Plans Architecture Design Source Funding Construction	-	-	-

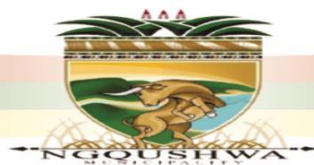


<b>REVISED SDF TO BE VISION 2057 COMPLIANT</b>	Amathole District Municipality Own Revenue Department of Rural Development and Land Reform Department of Corporative Governance and Traditional Affairs	Establishment of Municipal planning tribunal Implementation of SPLUMA by-laws Appointment of Administration Officer Development of LSDF for all villages	Functional municipal planning tribunal Implementation of SPLUMA by-laws	Implementation of SPLUMA by-laws	Implementation of SPLUMA by-laws
<b>LAND USE SCHEMES</b>	Own Revenue Department of Rural Development and Land Reform Department of Corporative Governance and Traditional Affairs	Customisation and implementation of Land use schemes Development and implementation of grazing land policy	Implementation of Land use schemes Implementation of grazing land policy	Implementation of Land use schemes Implementation of grazing land policy	Implementation of Land use schemes Implementation of grazing land policy
<b>HOUSING SECTOR PLAN</b>	Department of Human Settlement	Facilitation and coordination of housing development Monitor timeous completion of land claims Unlocking land parcels owned by government departments Constant Updating of housing needs register	Facilitation of Housing Development Monitor timeous completion of land claims Monitor timeous completion of land claims Constant Updating of housing needs register	Facilitation of Housing Development Monitor timeous completion of land claims Constant Updating of housing needs register	Facilitation of Housing Development Monitor timeous completion of land claims Constant Updating of housing needs register
<b>DISASTER MANAGEMENT CONTINGENCY PLAN</b>	Amathole District Municipality Department of Corporative Governance and Traditional Affairs	Development and implementation of Disaster Management and contingency plan Recruitment of personnel	Implementation of Disaster Management and contingency plan	Implementation of Disaster Management and contingency plan	Implementation of Disaster Management and contingency plan





<b>REGISTRATION AND MAINTENANCE OF MUNICIPAL PROPERTIES (OWN REVENUE)</b>	Own Revenue	Identification and facilitate registration of municipal unregistered properties Maintenance of municipal properties	Maintenance of municipal properties	Maintenance of municipal properties	Maintenance of municipal properties
<b>ESTABLISHMENT OF SMALL ECONOMIC ZONE (SEZ)</b>	Amathole District Municipality Canadians Department of Economic Development ,Environmental Affairs and Tourism Industrial Development Corporation Department of Corporative Governance and Traditional Affairs Department of Roads and Public Works East London Industrial Development Zone Eastern Cape Development Corporation Department of Rural Development and Land Reform	Development and Implementation of the LED Strategy Review of the LED Strategy Site Identification Feasibility Study Business Plan Development Establishment of SEZ	Implementation of Small Economic Zone  Monitoring and Evaluation	Implementation of Small Economic Zone  Monitoring and Evaluation	Implementation of Small Economic Zone  Monitoring and Evaluation
<b>REVATALIZATION OF IRRIGATION SCHEME</b>	Amathole District Municipality    Department of Rural Development and Agrarian Reform Department of Rural Development and Land Reform	Business Plans  Site Identification Infrastructure Development  Capacity Building  Mentoring  Production Inputs Marketing	Monitoring and Evaluation	Monitoring and Evaluation	Monitoring and Evaluation
<b>REVATALIZATION OF CITRUS FRUIT AND MAIZE PLANTATION</b>	Amathole District Municipality    Department of Rural Development and Agrarian Reform Department of Rural Development and Land Reform	Business Plans  Site Identification  Extraction of Interest	Implementation of the Citrus fruit and Maize Plantation	Implementation of the Citrus fruit and Maize Plantation	Implementation of the Citrus fruit and Maize Plantation



<b>DEVELOPMENT OF MQWASHU HERITAGE HEROES ACRE</b>	<p>Amathole District Municipality</p> <p>Department of Sport, Recreation, Arts and Culture Department of Economic Development, Environmental Affairs and Tourism Department of Water and Sanitation</p>	<p>Develop, Implement and Review Tourism Sector Plan</p> <p>Conduct research on critical issues that affect Tourism and Heritage</p> <p>Identify, develop and Package Tourism and Heritage products</p> <p>Marketing Ngqushwa as a tourist destination</p> <p>Development of Business to source funding</p>	<p>Review and Implementation Tourism Sector Plan</p> <p>Marketing Ngqushwa as a tourist destination</p> <p>Development of Business to source funding</p>	<p>Review and Implementation Tourism Sector Plan</p> <p>Marketing Ngqushwa as a tourist destination</p> <p>Development of Business to source funding</p>	<p>Review and Implementation Tourism Sector Plan</p> <p>Marketing Ngqushwa as a tourist destination</p> <p>Development of Business to source funding</p>
<b>FREE WI-FI</b>	<p>Donors</p>	<p>Development of Business Plans Appointment of Service Provider (Development and Maintenance) Feasibility Study Roll out of the project Pilot in 4 Wards inclusive Peddie and Hamburg</p>	<p>Roll out the project the rest of the wards</p>	<p>Monitoring and Evaluation (impact)</p>	<p>Monitoring and Evaluation (impact)</p>
<b>SPORT ACADEMY (SWIMMING, SOCCER, RUGBY, BOXING, NETBALL, CRICKET, KARATE AND JUDO)</b>	<p>Department of Sport, Recreation, Arts and Culture</p> <p>Own Revenue</p>	<p>Identification of land Development of Business Plans Signing of MOU with relevant stakeholders Architecture design Building (Construction)</p>	<p>Accreditation Recruitment &amp; Attract Rollout. Participate in National and Provincial programmes</p>	<p>Participate in International Programmes (Exchange programmes)</p>	<p>Participate in International Programmes (Exchange programmes)</p>



<b>TRAINING ACADEMY (ARTISANS)</b>	Construction Education Authority Own Revenue	MOU's signed with NMMU for accreditation and syllabus Development of Business Plans Architecture design Construction	Roll out Recruit and Attract students	Enrol 5000 students	Monitors and maintain the Training Academy
<b>HUMAN CAPITAL DEVELOPMENT</b>	SETAS Own Revenue	Business Plan Source funds for Artisans Curriculum Entrepreneurship	-	-	-
<b>DEVELOPMENT OF EARLY CHILDHOOD CENTRES</b>	Department of Social Development\ Lotto	Perform needs analysis and assessment for the development of Early Childhood Development centres in all wards Facilitate development of Business Plans and Architectural Plans Construction of all ECD Source funding to develop ECDC for the all ward Monitors functioning of ECDC quarterly	Monitors functioning of ECDC quarterly Source funding for maintenance ECDC for the all ward	Monitors functioning of ECDC Source funding for maintenance ECDC for the all ward	Monitors functioning of ECDC
<b>DEVELOPMENT OF 12 ADVISORY CENTRES FOR SCHOOL LEAVERS (NYDA)</b>	National Youth Development Agency	Collect and create database of school leavers (drop outs) in all wards Establish 12 ward based youth advisory centres Develop and maintain youth advisory centre	Maintain youth advisory centre and extend services rendered	Maintain youth advisory centre and extend services rendered	Maintain youth advisory centre and extend services rendered

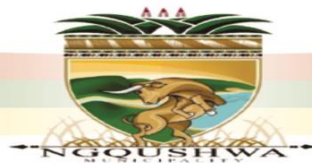


<b>CONSTRUCTION OF A MULTI PURPOSE /THUSONG CENTRE IN PEDDIE</b>	Office of the Premier Department of Human Settlement Department of Economic Development ,Environmental Affairs and Tourism	Needs Analysis/Demand Management Identification of Sites Business Plan Development Financial Resource Mobilisation Construction	Maintenance of Multi-Purpose Centre	Maintenance of Multi-Purpose Centre	Maintenance of Multi-Purpose Centre
<b>DEVELOPMENT OF AN INTEGRATED WELLNESS PLAN AND WELLNESS CENTRE IN HAMBURG</b>	Department of Roads and Public Works	Develop an integrated wellness plan and wellness centre implement	Develop an integrated wellness plan and implement	Develop an integrated wellness plan and implement	Develop an integrated wellness plan and implement
<b>ESTABLISHMENT OF ELEARNING FOR NGQUSHWA</b>	SPAR EASTERN CAPE	Development of ICT Infrastructure in Ngqushwa Conduct awareness campaign on eLearning Provision of eLearning	Promote use of eLearning in all wards	Promote use of eLearning and other new technological innovations in all wards	Promote use of eLearning and other new technological innovations in all wards



### 8.3. KPA 1: INSTITUTIONAL DEVELOPMENT AND DESIGN

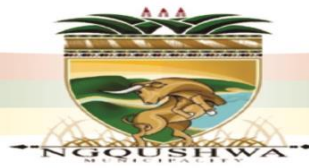
DESCRIPTION PROJECT	Year 2	Revenue Source	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019		2019/2020		2020/2021		2021/2022	
	Individual Performance Management System-middle managers	Equitable Share	Individual Performance Management-Practitioners	Equitable Share	Individual Performance Management-General workers	Equitable Share	Introduction of electronic performance management system	N/A
	Implementation of HR Strategy	Equitable Share	Implementation of HR Strategy	Equitable Share	Implementation of HR Strategy	Equitable Share	Implementation of HR Strategy	Equitable Share
	Implementation of Records Management System	Equitable Share	Implementation of Records Management System	Equitable Share	Implementation of Records Management System	Equitable Share	Implementation of electronic Records Management System	Equitable Share



#### 8.4 KPA 2: QUALITY BASIC SERVICE AND INFRASTRUCTURE DEVELOPMENT - 5 YEAR PROJECT PLAN: MUNICIPAL INFRASTRUCTURE GRANT (MIG)

MIG (CAPITAL PROJECTS)	WARD	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
	1	Bhele Community Hall		Nonibe Community Hall	Zalara Community Hall
	2	Qhugqwala Internal street	Mthombe Community Hall	Zondeka Internal Roads	
	3	Shushu Community Hall	Mabhongo Community Hall	Qawukeni Internal Roads	Hlosini Community Hall
	4		Dube Community Hall/ Nxwashu community Hall		Machibi Internal Road
	5		Legeni Internal Roads	Bira Internal Roads	Boduim Community Hall
	6				Makhahlane Community Hall
	7	Ngquma Community Hall (Hlosini)	Rura Internal Roads	Hoton Community Hall	Mxaxa Internal Roads
	8			Power Internal Roads	1.Pola Park Internal Road 2.Ndlovini Community Hall
	9	Runlets Internal Roads	-	Lewis Community Hall	Pikoli Internal Roads
	10		Mtati Community Hall	Maxhegweni Community Hall	Lower Mgwalane Community Hall
	11	Mpekweni Internal Roads			
	12	Wesley Internal Roads Hamburg Internal Roads	Bingqala Community Hall	New Loots Internal Roads	
	13	Surfacing of 1.8 km of Peddie Town Streets phase 2	-	-	-
	14	Surfacing of 1.5 km of Peddie Town Streets phase 1 (Power)	-		





#### 8.4.1 ELECTRICITY PROJECTS

OPEX PROJECTS	Year 2	Revenue Source	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019		2019/2020		2020/2021		2021/2022	
	Electrification of 320 households in Ngqushwa Municipal area	INEP	Electrification of 200 households in Ngqushwa Municipal area	INEP	Electrification of 200 households in Ngqushwa Municipal area	INEP	Electrification of 200 households in Ngqushwa Municipal area	INEP



#### 8.4.2 COMMUNITY SERVICE 5 YEAR PROJECTS

OPEX PROJECTS	Year 1	Revenue Source	Year 2	Revenue Source	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2017/2018		2018/2019		2019/2020		2020/2021		2021/2022	
	Implementation of coastal management plan	Equitable Share	Implementation of coastal management plan	Equitable Share	Implementation of coastal management plan	Equitable Share	Implementation of coastal management plan	Equitable Share	Implementation of coastal management plan	Equitable Share
	Eight (8) roadblocks to be conducted and one quarterly awareness/workshop to be conducted	Equitable Share	Eight (8) roadblocks to be conducted and one quarterly awareness/workshop to be conducted	Equitable Share	Eight (8) roadblocks to be conducted and one quarterly awareness/workshop to be conducted	Equitable Share	Eight (8) roadblocks to be conducted and one quarterly awareness/workshop to be conducted	Equitable Share	Eight (8) roadblocks to be conducted and one quarterly awareness/workshop to be conducted	Equitable Share



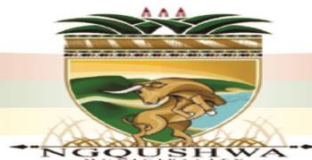
## 8.5 KPA3: LOCAL ECONOMIC DEVELOPMENT AND SPATIAL DEVELOPMENT PROJECTS

### LOCAL ECONOMIC DEVELOPMENT COMPONENT

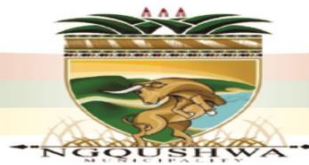
OPEX PROJECTS	Year 2	Revenue	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019	Source	2019/2020		2020/2021		2021/2022	
	Development of Business Plans for LED initiatives	Equitable share	Implementation of the LED Strategy	Equitable share	Implementation of the LED Strategy	Equitable share	Implementation of the LED Strategy	Equitable share
	Stakeholder engagement for Implementation of the BIGM Programme	Equitable share and Own Revenue	Implementation of the BIGM Programme	Equitable share and Own Revenue	Implementation of the BIGM Programme	Equitable share and Own Revenue	Implementation of the BIGM Programme	Equitable share and Own Revenue

### SPATIAL DEVELOPMENT COMPONENT

OPEX PROJECTS	Year 2	Revenue	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019	Source	2019/2020		2020/2021		2021/2022	
	Review of SDF and Peddie LSDF's	Equitable share	Development of Hamburg LSDF Implementation of SDF and Peddie LSDF	Equitable share	Implementation of Hamburg LSDF	Equitable share	Implementation	Equitable share
	Conducting awareness campaigns Planning and Building on by-laws	Equitable share	Conducting awareness campaigns on by-laws	Equitable share	Conducting awareness campaigns on by-laws	Equitable share	Conducting awareness campaigns on by-laws, policies and regulations	Equitable share

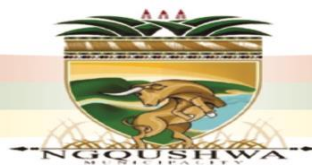


					laws, policies and regulations			
	Mobilization of funding for Development of Land use schemes	Equitable share	Implementation of Land use schemes	Equitable share	Implementation of Land use scheme	Equitable share	Implementation of Land use schemes	Equitable share
	Undertake land audit survey	Equitable share	Unlocking and registration of land parcels owned by government departments	Equitable share	Unlocking and registration of land parcels owned by government departments	Equitable share	Unlocking and registration of land parcels owned by government departments	Equitable share
	Update of housing needs register	Equitable share	Update of housing needs register	Equitable share	Update of housing needs register	Equitable share	Update of housing needs register	Equitable share



## 8.6 KPA4: FINANCIAL VIABILITY AND MANAGEMENT PROJECTS

OPEX PROJECTS	Year 2	Revenue Source	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019		2019/2020		2020/2021		2021/2022	
	Development and implementation of the Final Three Year Financial Recovery Plan	Own Revenue	Implementation, monitoring and reporting on the Financial Recovery Plan	Own Revenue	Implementation, monitoring and reporting on the Financial Recovery Plan	Own Revenue	Implementation, monitoring and reporting on the Financial Recovery Plan	Own Revenue
	Development of GRAP compliant Financial Statement	Own Revenue	Development of GRAP compliant Financial Statements and Fixed Asset Register	Own Revenue	Development of GRAP compliant Financial Statements and Fixed Asset Register	Own Revenue	Development of GRAP compliant Financial Statements and Fixed Asset Register	Own Revenue



## 8.7 KPA5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION PROJECTS

OPEX PROJECTS	Year 2	Revenue	Year 3	Revenue Source	Year 4	Revenue Source	Year 5	Revenue Source
	2018/2019	Source	2019/2020		2020/2021		2021/2022	
	Review of 2018/2019 IDP	Equitable share and Own Revenue	Review of 2019/2020 IDP	Equitable share and Own Revenue	Review of 2020/2021 IDP	Equitable share and Own Revenue	Review of 2021/2022 IDP	Equitable share and Own Revenue
	Implementation of Communication Action Plan	Equitable share and Own Revenue	Implementation of Communication Action Plan	Equitable share and Own Revenue	Implementation of Communication Action Plan	Equitable share and Own Revenue	Implementation of Communication Action Plan	Equitable share and Own Revenue
	Conduct Annual Risk Assessment	Equitable share	Conduct Annual Risk Assessment	Equitable share	Conduct Annual Risk Assessment	Equitable share	Conduct Annual Risk Assessment	Equitable share
	Development of the Internal Audit 3year rolling Plan Development, implementation and reporting on the Annual Internal Audit Pan	Equitable share	Development, implementation and reporting on the Annual Internal Audit Pan	Equitable share	Development, implementation and reporting on the Annual Internal Audit Pan	Equitable share	Development of the Internal Audit 3year rolling Plan Development, implementation and reporting on the Annual Internal Audit Pan	Equitable share





	Conduct Annual Report Roadshows	Equitable share	Conduct Annual Report Roadshows	Equitable share	Conduct Annual Report Roadshows	Equitable share	Conduct Annual Report Roadshows	Equitable share
	Registration of 440 of learners for New Venture Creation Learnership	Equitable share	-	-	-	-	-	-



## 8.8 SECTOR DEPARTMENTS PROJECTS AMATHOLE DISTRICT MUNICIPALITY MIG

PROJECT NAME	2018/19	2019/20	2020/21
Peddie Waste Water Treatment Works Upgrade	11,400,000	15,000,000	10,000,000
Ngqushwa Villages - Water Reticulation	10,100,000	15,000,000	0.00
<b>SUB TOTAL NGQUSHWA</b>	<b>21,500,000</b>	<b>30,000,000</b>	<b>10,000,000</b>



## AMATHOLE DISTRICT MUNICIPALITY – WATER SERVICES INFRASTRUCTURE GRANT (WSIG)

PROJECT NAME	2018/19	2019/20	2020/21
Replacement of vandalized air valves and chambers plus one 250mm control valve	0.00	550,000	0.00
Installation of Gate Valves at Standpipes in Glenmoore	0.00	500,000	0.00
Ngqowa pipe replacement (1000m)	0.00	2,000,000	0.00
Peddie Sewer Remodelling (Feasibility study)	0.00	0.00	150,000
Refurbishment of Peddie Town Reservoir	0.00	0.00	150,000
Replacement of 2x 10KL elevated leaking JoJo tanks for Lewis and Woodlands villages	0.00	1,000,000	0.00

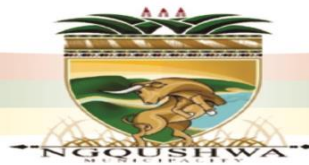


PROJECT NAME	2018/19	2019/20	2020/21
Telemetry system at Ntloko reservoir and Breakfast Vlei	0.00	1,500,000	0.00
Replacement of vandalized air valves and chambers plus one 250mm control valve	0.00	500,000	2,000,000
Installation of Gate Valves at Standpipes in Glenmoore	0.00	500,000	2,000,000
Ngqowa pipe replacement (1000m)	0.00	2,500,000	0.00
Peddie Sewer Remodelling (Feasibility study)	0.00	500,000	2,000,000
<b>SUB-TOTAL: Ngqushwa</b>	<b>0.00</b>	<b>9,550,000</b>	<b>6,300,000</b>



## AMATHOLE DISTRICT MUNICIPALITY –EPWP

	NGQUSHWA			
Road Rangers		8 ( 2 beneficiaries), 9 ( 1 beneficiary), 4 ( 2 beneficiaries), 3 ( 1 beneficiary), 1 ( 1 beneficiary), 2 (1 beneficiary)	R285,120,00	12 Months
Road Ranger Supervisor and Monitoring Practitioner		2 ( 1 beneficiary), 16 ( 1 beneficiary)	R38,016,00 R26,136,00	12 Months 12 Months
WEEKEND ROAD RANGERS		1 ( 1 beneficiary), 3 ( 1 beneficiary)	R28,512,00	12 Months
Scholar Transport Monitors		1( 1 beneficiary), 6 (1 beneficiary)	R41,817,60	12 Months
	AMAHLATHI			
Scholar Patrol		2	-	12months
Road Safety Councils		3 ( 7,5)	76200	3 years

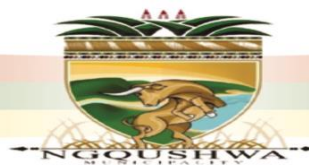


**SOUTH AFRICAN NATIONAL ROADS AGENCY(SANRAL )**

**SANRAL PROJECTS 2018-2020**

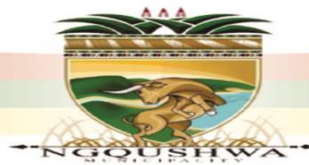
<b>DESIGN</b>	<b>N/A- done in-house</b>
<b>TRAINING, ADMINISTRATION AND CONSTRUCTION MANAGEMENT</b>	<b>R21.6 mil</b>
<b>CONSTRUCTION</b>	
Road construction by NQF 2 to NQF 4	R43.4 mil
SMME's (Grade 1 to Grade 5, Material Suppliers, Equipment etc. who are 50.1% Black owned)	R35.3 mil
<b>TOTAL</b>	<b>R100 mil (inc. VAT)</b>





## DEPARTMENT OF SAFETY AND LIASON

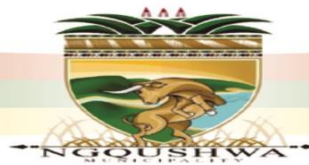
MUNICIPALITY	ACTIVITY	POLICE STATION AREA	BUDGET
Ngqushwa	Crime Awareness campaigns	Moyeni;Pedie; Kieskammahoek	R 180 000
	Safety Patrollers (EPWP Programme)	July SSS-Bell	Paid stipend based on number of days worked .Budget residing with the Provincial Office
	Unannounced visits	Keiskammahoek	NCI
	Service Delivery evaluations at Police Stations	Tyefu and Keiskammahoek-Follow Up	NCI
	Assess functionality of CPF's	Moyeni snd Tyhefu	NCI
	Capacity Building of CPF'S	All CPF'S in the District	R 25 000
	Domestic Violence Act Audit	Bell	NCI



## DEPARTMENT OF SOCIAL DEVELOPMENT

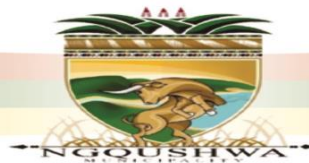
### OLDER PERSON

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Ngqushwa Special Needs Service Centre	Care and Support Service Centre to Older Persons	R112 800.00	Peddie Town 10	47	4	Mrs Mvubu- 078 7947 086
Isitiya sabantu abadala	Care and Support Service Centre	R 48 000 00	Tyeni	20	3	Mrs Nggingini 0839538246



## PEOPLE LIVING WITH DISABILITIES

NAME	PROJECT DESCRIPTION	VALUE(R)	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Nomzamo Special Care Centre	Residential Facility for People with Disabilities	R1,332 00.00	Durban 10	74	30	Mrs L. Holane – 083 7568 939

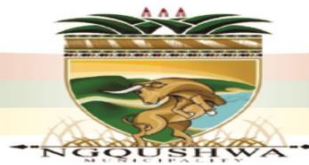


## HIV/AIDS

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Masinedane Support Group	Home Community Based Care	R274 605.00	Feni	488	10	Athenkosi Khombani- 063 2749 750

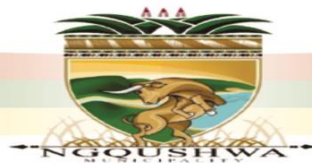
## FAMILIES

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Peddie Family Resource Centre	Provides basic family support services	R72 451.00	Peddie Ext	420	2	Nobomi Mgoduka - 076178 6846



## EARLY CHILDHOOD DEVELOPMENT (ECD)

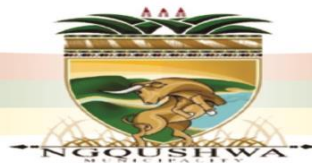
NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION(WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Masivuke DCC	ECDC	R173 700.00	Peddie town 10	60	4	Ntombizanele V. Mkita - 083 249 9857
Nkululo DCC	ECDC	R110 010.00	Benton Loc. 11	38	2	Vuyelwa Manqina - 0786762171
Mpumezo DCC	ECDC	R145 200.00	Lower Mgwelana 13	24	2	Nomvuzo Bala - 0835197108



## CHILDHOOD EARLY DEVELOPMENT (ECD)

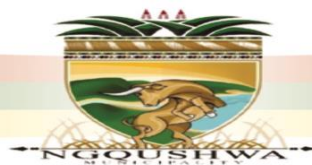
NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED.	CONTACT PERSON AND DETAILS
Nokhanyo DCC	ECDC	R209 745.00	Upper Qeto 13	59	2	Nokuzola Nkohla - 083 8408 893
Inkwenkwezi DCC	ECDC	R 103 095.00	Mphekweni 12	29	2	Nolundi Ntukela - 078 107 8257
Khulani Creche	ECDC	R163 530.00	Ntloko 9	46	2	Siziwe Ngcelwane - 078 210 9682
Zizamele DCC	ECDC	R71 100.00	13 Mthathi	20	2	Zameka Mkhontwana -0734777166
Embekweni ECC	ECDC	R115 800.00	11 Wesley	40	2	Nomabhelu Njamela - 076 842 9977
Nompumelelo Creche	ECDC	R71 100.00	6 Tuku C	20	2	Nonzame Bethiwe - 073 956 9043
Lingelethu DCC	ECDC	R78 210.00	6 Woodridge	22	2	Ziseka Mazondo - 083 568 9768
Zwelitsha DCC	ECDC	R78 210.00	Pikoli 9	20	2	Monikha Jibiliza - 079 855 0518
Lingelihle Creche	ECDC	R99 540.00	Baltein 4	28	2	Ulama Gidi - 076 3673 833
Nonzame DCC	ECDC	R106 650.00	Hlosini Loc 4	30	2	Phindiwe Sinqe - 073 864 1704
Ikhwezilokusa ECC	ECDC		Feni 7	43	2	Ntombekhaya Bisani - 072 149 2338





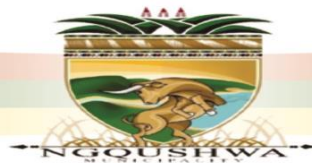
## EARLY CHILDHOOD DEVELOPMENT (ECD)

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED.	CONTACT PERSON AND DETAILS
Mseki ECC	ECDC	R103 095.00	Cisira 7	29	2	Nothozamile Joka- 073 837 7068
Elukhanyisweni DCC	ECDC	R127 980.00	Cisira 7	36	2	Babalwa Kota- 082 5321361
Bongweni A DCC	ECDC	R71 100.00	Bongweni A 4	20	2	Nomacebo Lamani- 072 516 3640
Mgwalana ECC	ECDC	R103 095 00	Mgwalana 9	29	2	Philisa Ntshokoma- 073 767 1419
Tarfield Creche	ECDC	R103 095.00	Tarfield 11	29	2	Nomvuzo Bala- 072 4323 977
Peddie Ayliff DCC	ECDC	R138 645.00	Durban 10	39	2	Nondumiso Manjezi- 078 692 7718
Sophumelela Educare	ECDC	R142 200.00	Hourton 8	40	1	V. Msuthu- 076 496 8958
Sinethemba Educare	ECDC	R138 645.00	Wesley 11	39	2	N. Njongi- 078 779 1321
D.M Ngabase Educare	ECDC	R174 195.00	Peddie Ext 10	49	2	N. Melani- 078 5346543
Somzamo E.C.C	ECDC	R138 645.00	Gcinisa 11	39	2	Nombini Potwana-0781932273
Mthonjeni D.C.C	ECDC	R88 875.00	Ngqowa 12	25	2	Celiwe Funani- 073 796 9933



## EARLY CHILDHOOD DEVELOPMENT (ECD)

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED.	CONTACT PERSON AND DETAILS
Vuyolwethu DCC	ECDC	R 156 420.00	Woodlands 9	44	2	Nomvbeliso Lukwe- 073 034 3766
Masizakhe DCC	ECDC	R21 330 .00	Lewis 9	06	2	Thumeka Silamsi- 072 5488 977
Nonjongo	ECDC	R170 640.00	Ndlambe 8	48	2	Lulama Gidi- 076 3673 833
Khulisani DCC	ECDC	R 124 425.00	Bell-6	35	2	Boniwe Ngesi- 078 918 4763
Siyanda DCC	ECDC	R103 095.00	Ethembeni	29	2	Nomzamo Dumbu= 076 070 0265
Nobuhle DCC	ECDC	R 156 420.00	Durban	44	2	Phendulwa Nobebe- 078 920 7085
Sophakama DCC	ECDC	R 106 650.00	Bodium	30	2	



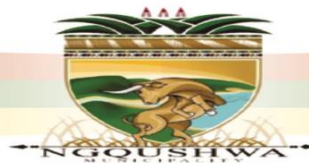
## CONDITIONAL GRANTS

NAME	PROJECT DESCRIPTION	ALLLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Ncedolwethu DCC	ECDC	R 106 650.00	Gababa Location – Ward 11	30	01	Khangelwa Chamntwana- 078 5644 085
Eva DCC	ECDC	R71 100.00	Mgababa Location, Peddie - Ward 5	20	01	Nosisa Majamani- 073 903 5380
Vela DCC	ECDC	R35 550.00	Ndwayan Location, Peddie - Ward 7	10	01	Luleka Baliso- 073 693 9108
Masivuye DCC	ECDC	R 71 100.00	Humberg Location Peddie - Ward 12	20	01	Nonyameko Gqwaka- 083 966 2813



## INFRASTRUCTURE RENOVATIONS (ECD)

NAME	PROJECT DESCRIPTION	ALLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Nkululo DCC	ECDC	R78 600.00	Benton Loc. – 11	38	2	Vuyelwa Manqina- 0786762171
Zizamele DCC	ECDC	R 53 000.00	Mthathi – 13	20	2	Zameka Mkhontwana- 0734777166
Tarfield Creche	ECDC	R79 424.00	Tarfield -11	29	2	Nomvuzo Bala- 072 4323 977
Mseki ECC	ECDC	R81 500.00	Cisira – 7	29	2	Nothozamile Joka- 073 837 7068



## VICTIM EMPOWERMENT SUPPORT

NAME	PROJECT DESCRIPTION	ALLLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Amazizi White Door Centre of Hope	Victim Empowerment Centre	R158 225.00	Lujiko	420	5	Zolelwa Khathazwa - 073 3142 847

NAME	PROJECT DESCRIPTION	ALLLOCATION	LOCATION (WARD)	NO OF BENEFICIARIES	NO OF JOBS CREATED	CONTACT PERSON AND DETAILS
Cisira Man for Change	Victim Empowerment Centre	R200 00.00	Cisira	200	5	Zama Ngoqo 078 151 7837



## ESKOM

Ngqushwa Municipality 18/19 Electrification Plan				
Project Name	Project Type	DoE TOTAL Planned CAPEX Excl VAT 2018/2019	Total Planned Connections 2018/2019	Beneficiaries
<b>Ngqushwa Type 1 Infills</b>	Infills	644 930.00	82	Various villages around Ngqushwa municipality
<b>Ngqushwa Pre-engineering</b>	Pre-Engineering	164 595.00		
<b>Peddie Extension</b>	Household	4 535 500.00	193	Zalara,Rhode,Twecu,Nxwashu ,Nyatyorha.Zimbaba,Mdolomba,Ntsineka
<b>Peddie Exts Link Line</b>	Infrastructure	1 127 782.02		





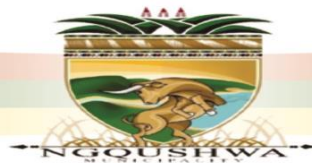
## DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

PROJECT	VILLAGES	BENEFICIARIES	BUDGET
CHICORY	Ward 11	Mgababa and Prudhoe	R500 000
Pinaeapple Developmet		Bingqala and Pinecore	R2,5 Million
Citrus Production	Wards 3	Ripplemead Farm Naudeshoek Farm Siyamila Farm Craighead Farm Waterfall Farm	1,8 561 million  13 Million
Siyazondla	All Wards	Citrus Packshed All Wards	R192 000
Cropping	All wards	Selected Wards	R 544 871



## EASTERN CAPE PARKS AND TOURISM AGENCY

SKILLS DEVELOPMENT			
ECPTA PA WITHIN THE MUNICIPALITY	NAME OF PROGRAMME	DETAILS OF PROJECT AND TIME FRAME	BUDGET ALLOCATED FOR PROJECT (IF AVAIL)
Great Fish River Nature Reserve	YES	2 yrs programme (started since 2017/18 fy) aimed at Youth Employment & skill programme	Part of the R20 mil budget over 2yrs.

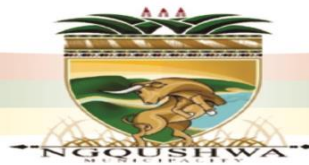


## DEPARTMENT OF TRANSPORT

### AMATHOLE EPWP/COMMUNITY BASED PROGRAMMES 2018/19

#### Breakdown of EPWP Interventions in the district

Municipality	PROJECT NAME	NO OF BENEFICIARIES	Annual Budget
NGQUSHWA	<ul style="list-style-type: none"> <li>✓ Household Contractor</li> <li>✓ National Youth Service</li> <li>✓ Road Rangers</li> <li>✓ Car Wash</li> <li>✓ Airport Maintenance</li> <li>✓ Gridgate Maintenance</li> <li>✓ Scholar Transport Monitors</li> <li>✓ Roadside checkpoint</li> <li>✓ Junior Traffic Training Centre</li> <li>✓ Walking Bus</li> </ul>	<ul style="list-style-type: none"> <li>✓ 1009</li> <li>✓ 9</li> <li>✓ 12 (Combined total)</li> </ul>	<ul style="list-style-type: none"> <li>✓ R9,769,278.36 (HHC)</li> <li>✓ R205,200.00 (NYS)</li> </ul>
<b>OVERALL EPWP BENEFICIARIES AND BUDGET FOR 2018/19 F/Y</b>		<b>1030</b>	<b>9,974 478.36</b>



DEPARTMENT/ SECTOR	PROJECT NAME	MUNICIPALITY	WARD	AMOUNT	DURATION
Department of Environmental Affairs	Working for the Coast: Fish River to Kei River	Ngqushwa and Great Kei	Coast line	Submission still pending	24 months
Department of Environmental Affairs	Mass Training: Construction Masonry for 20 people  Dress Making for 20 people.	Ngqushwa		Stipend R2 000 Per learner	3 Months